



2019
BUDGET
ESTIMATES OF
NATIONAL EXPENDITURE

VOTE
28
LABOUR



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



**Estimates of
National Expenditure**

2019

National Treasury

Republic of South Africa



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The 2019 Estimates of National Expenditure is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. Compared to this Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities. Also included are tables containing information on programme specific personnel expenditure, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of site service delivery is included, where appropriate.

Foreword

The Estimates of National Expenditure (ENE) publications are an integral part of the comprehensive annual budget process. The economic climate has made it necessary to focus on reprioritising existing resources towards areas where the most value can be derived for all South Africans. The budgets shown in this document reflect the outcome of a robust negotiation process, led by a committee of senior officials in central government departments, under the political guidance of the Ministers' Committee on the Budget. There was also wide-ranging intergovernmental consultation on budgets in the provincial and local spheres of government. Ultimately, these decisions are considered and endorsed by Cabinet.

The ENE publications present the detail of national government's expenditure estimates for the three-year 2019 medium-term expenditure framework period, most importantly for 2019/20 allocations contained in the Appropriation Bill, 2019, as tabled by the Minister of Finance, for Parliament's consideration and adoption.

The abridged ENE provides extensive information on the priorities, spending plans and service delivery commitments of all 40 national government votes, as well as for associated government agencies. The e-publications for each vote contain more detail on goods and services, transfers and subsidies, donor funding, public entities, and lower-level spending information on service delivery.

This information in these chapters ensures that Parliament, the public, civil society, the media, government departments, public entities and the executive can keep state institutions accountable and ensure that public funds are spent to achieve the outcomes for which they were intended. Since its launch in February 2018, the Vulekamali online portal has become the main source of transparent, user-friendly information, including information contained in ENE publications, for anybody who wants to know more about how government compiles its budget and spends public funds. The website, www.vulekamali.gov.za, continues to evolve, and now also provides geospatial information on government's infrastructure projects, which are focal in this year's budget as a key impetus for economic growth. I encourage you to be active citizens and use this information to hold government accountable for obtaining the best possible outcomes with the funds entrusted to it.

I wish to thank the executive for the political leadership shown in the budget process, our government colleagues for all of their efforts and contributions, and my team at the department for working diligently to bring it all together.



Dondo Mogajane
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2019 MTEF period is from 2019/20 to 2021/22.

The ENE publications contain information on how government institutions have spent their budgets in previous years. They explain how these institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes their spending is expected to lead to. The publications include tables depicting non-financial performance indicators and targets, departmental receipts, personnel, significant as well as detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and for entities that report to the vote's executive authority. Explanatory narratives set out the institution's purpose (and that of its programmes), its mandate and programme-level objectives and descriptions of subprogrammes. A more in-depth narrative analyses the institution's expected expenditure over the MTEF period. Summary data tables at the end of each vote contain data on provincial and municipal conditional grants, public-private partnerships, donor funding, infrastructure, and expenditure at the level of site service delivery, where applicable.

A separate 2019 ENE Overview publication is also available on www.treasury.gov.za and summarises the ENE information across all votes. The 2019 ENE Overview contains a narrative explanation and budget-wide summary tables; and it also has a write-up on how to interpret the information that is contained in each section of the publications.

Labour

National Treasury

Republic of South Africa



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Vote 28

Labour

Budget summary

R million	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	962.0	919.2	0.9	41.8	1 022.5	1 084.2
Inspection and Enforcement Services	631.1	614.1	0.1	17.0	679.7	723.5
Public Employment Services	611.2	368.0	242.0	1.3	648.9	691.7
Labour Policy and Industrial Relations	1 230.8	164.3	1 066.4	0.1	1 319.5	1 394.0
Total expenditure estimates	3 435.1	2 065.6	1 309.4	60.2	3 670.6	3 893.4

Executive authority Minister of Labour
Accounting officer Director-General of Labour
Website address www.labour.gov.za

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

Vote purpose

Play a significant role in reducing unemployment, poverty and inequality by pursuing the objectives of decent work for all through: employment creation and enterprise development; the setting of standards and the protection of rights at work, including the facilitation of equal opportunities and social dialogue; and the provision of social protection.

Mandate

The Department of Labour derives its legislative mandate from the Constitution, particularly the Bill of Rights, which is given effect through a number of acts that regulate labour matters in South Africa. The most important of these are the Labour Relations Act (1995), the Basic Conditions of Employment Act (1997), the Employment Equity Act (1998), the Occupational Health and Safety Act (1993), and the Employment Services Act (2014).

The mandate of the department is to regulate the labour market through policies and programmes developed in consultation with social partners. These aim to:

- improve economic efficiency and productivity
- facilitate decent employment creation
- promote labour standards and fundamental rights at work
- provide adequate social safety nets to protect vulnerable workers
- promote and enforce sound labour relations
- promote equity and eliminate unfair discrimination in the workplace
- eliminate inequality and discrimination in the workplace
- enhance occupational health and safety awareness and compliance in the workplace
- give value to social dialogue in the formulation of sound and responsive legislation and policies to attain labour market flexibility for the competitiveness of enterprises, balanced with the promotion of decent employment.

Selected performance indicators

Table 28.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of employers inspected per year to determine compliance with employment law	Inspection and Enforcement Services	Outcome 4: Decent employment through inclusive growth	186 871	185 958	214 946	218 732	220 692	220 692	220 692
Percentage of reported incidents finalised within 90 days	Inspection and Enforcement Services		83% (1 080/ 1 309)	80% (703/878)	75% (690/918)	65%	70%	70%	70%
Number of work seekers registered on the Employment Services South Africa database per year	Public Employment Services		634 503	666 719	890 523 ¹	650 000	700 000	750 000	800 000
Number of registered work seekers provided with employment counselling per year	Public Employment Services		208 861	197 247	193 473	200 000	210 000	220 000	230 000
Number of registered employment opportunities filled by registered work seekers per year	Public Employment Services		10 927	12 517	21 076 ²	42 500 ²	45 000	47 500	50 000
Number of employment opportunities registered on the Employment Services South Africa database per year	Public Employment Services		102 631 ¹	74 510	109 917	85 000	90 000	95 000	100 000

1. High achievement due to advocacy campaigns and roadshows.

2. High achievement due to additional staff employed.

Expenditure analysis

The Department of Labour supports efforts towards realising the goals of the National Development Plan in terms of resolving workplace disputes and improving labour relations, enhancing occupational health and safety, and facilitating job creation. Outcome 4 (decent employment through inclusive growth) of government's 2014-2019 medium-term strategic framework gives overall strategic direction to the department's work. Over the medium term, the department will focus on increasing workplace inspections, supporting work seekers, and regulating the workplace to establish minimum working conditions and fair labour practices.

Cabinet-approved budget reductions amounting to R103.2 million over the MTEF period have been effected across all programmes on goods and services (R35 million); compensation of employees (R49.5 million); and transfers to departmental entities (R18.7 million) for a freeze on salary increases for senior management staff earning more than R1.5 million per year and a 2.8 per cent increase for senior managers earning between R1 million and R1.49 million per year. The reduction in spending on compensation of employees is expected to result in a decrease of 202 funded posts and a net decrease in total headcount, from 3 346 in 2018/19 to 3 337 in 2021/22. This is expected to place strain on the department's human resources capacity, thereby affecting its daily operations. The reduction in spending on goods and services over the MTEF period is expected to result in fewer staff training exercises, the execution of fewer departmental communication strategies, and the leasing of less office equipment. To mitigate these effects, staff will be trained only if and when funding is made available through reprioritisation.

Cabinet-approved budget increases amounting to R151.6 million over the medium term have been effected on transfers to public entities. The Commission for Conciliation, Mediation and Arbitration receives an additional R107.6 million over the MTEF period to address increasing caseloads, and provide training to commissioners and assessors to preside over advisory arbitration processes and conduct balloting and certification processes. The transfer to the National Economic Development and Labour Council is expected to increase by R44 million over the medium term to: fund the council's contribution for a staff pension plan and medical aid, cover shortfalls in cost of living adjustments, fund the next presidential jobs summit, and address other operational costs arising

from the council's increasing workload.

Increasing safety and fairness in the workplace

The department aims to ensure that employers adhere to employment equity plans and decent work principles, and that vulnerable workers are protected. Key to achieving this is the inspection of workplaces for compliance with employment law. In pursuit of creating healthy and safe workplaces and responding to persistent non-compliance by employers, the department has amended the Occupational Health and Safety Act (1993) to introduce compulsory provisions, such as permitting inspectors to administer fines and allowing employees to leave the workplace if conditions are unhealthy or unsafe. The amended act, which is targeted for implementation in 2020/21, makes provision for health and safety representatives in the service of employers to check for compliance through routine inspections.

Over the medium term, the department will collaborate with the Compensation Fund to increase the number of occupational health and safety inspectors. This is intended to provide improved services to employees and employers, and ensure that the most vulnerable employees are protected. In this regard, R1.6 billion is allocated over the medium term in the *Compliance, Monitoring and Enforcement* subprogramme in the *Inspection and Enforcement Services* programme for the inspection and enforcement of employment law. The Compensation Fund has budgeted R172.6 million in 2019/20 for 500 additional inspectors. The number of inspections for compliance is expected to increase from 218 732 in 2018/19 to 220 692 in 2021/22.

Supporting work seekers

Through the Employment Services South Africa system, the department provides a free service, including employment counselling, to recruit and place work seekers in various work and learning opportunities. Over the medium term, the department plans to introduce new measures to accelerate the placement of registered work seekers. These include: improving the quality of information on work seekers and employment opportunities to accurately match work seekers with work opportunities, reviewing workflow processes to respond promptly to requests from employers, subjecting matched candidates to rigorous counselling services to provide employers with shortlists, and signing partnership agreements.

The department also aims to facilitate greater access to the labour market for work seekers with matric and post-school qualifications, as well as those affected by barriers to entry such as low literacy levels, poor skills, and a lack of funds to undertake job searches. Accordingly, the department has self-service stations at 62 of its 126 labour centres to encourage work seekers to register and seek employment. 64 additional self-service stations are expected to be rolled out in 2019/20, as work seekers registered on the Employment Services South Africa system are expected to increase from 700 000 in 2019/20 to 800 000 in 2021/22. In 2019/20, the department expects to roll out the situation-specific evaluation expert assessment tool, which will be used to profile work seekers registered on the Employment Services South Africa system to assist with their placement.

As part of the department's efforts to improve and modernise its counselling services, it has deployed 1 principal psychologist in each province and 128 career counsellors across all labour centres, and introduced an electronic interest and competency self-assessment system for work seekers. Over the MTEF period, activities in the *Public Employment Services* programme will also involve work with the European Union on a project aimed at assessing the impact of counselling services. This will include tracking the placement of counselled work seekers in self-employment, cooperatives and further learning institutions. The department anticipates the number of counselled work seekers to increase from 210 000 in 2019/20 to 230 000 in 2021/22. Over the medium term, the *Public Employment Services* programme will work with the Employment Services Board and the International Labour Organisation to develop national and labour migration policies, and provide advice on the implementation of employment schemes to the Minister of Labour.

The number of employment opportunities registered through the *Employer Services* subprogramme in the *Public Employment Services* programme is expected to increase from 90 000 in 2019/20 to 100 000 in 2021/22, at an estimated cost of R23.2 million over the same period. R402.1 million over the MTEF period has also been allocated in the subprogramme for counselling, placement and advocacy campaigns and to pilot free registration opportunities on the Employment Services South Africa system with partner organisations by means of a

memorandum of agreement. Training will be provided to employment services practitioners and strict quality control measures will be introduced to verify all work opportunities registered with the department.

To carry out all the department's activities related to supporting work seekers, R588.1 million is allocated over the medium term in the *Work Seeker Services* subprogramme in the *Public Employment Services* programme.

Regulating the workplace to establish minimum working conditions and fair labour practices

To reduce income inequality in South Africa, the department, with social partners at the National Economic Development and Labour Council, will continue to set standards, institute minimum wages for vulnerable workers and monitor compliance with the Employment Equity Act (1998). The National Minimum Wage Bill came into effect on 1 January 2019. The department plans to establish a national minimum wage commission and secretariat in 2019/20, as per the bill, which will be responsible for reviewing, making adjustments to and monitoring the social and economic impact of the national minimum wage, which is set at R20 per hour. As such, activities over the medium term in the *Labour Policy and Industrial Relations* programme will involve performing the secretariat function and housing the national minimum wage commission, for which R114.1 million is budgeted over the MTEF period for operations.

The Employment Equity Amendment Bill, with its corresponding draft regulations, were published for public comment on 21 September 2018, to be tabled in Parliament for discussion and finalisation in 2019. Amendments to the Employment Equity Act (1998) and regulations are primarily aimed at empowering the minister to regulate the setting of sector-specific employment equity numerical targets; and the promulgation of section 53 of the act, which deals with the issuing of an employment equity compliance certificate as a prerequisite for accessing state contracts.

South Africa co-chairs the International Labour Organisation's global commission on the future of work, a first for the country and for Africa. The conference committee, chaired by South Africa, offers a platform for robust discussions on the future of the organisation's development cooperation in supporting constituents to achieve sustainable development and decent work for all. These discussions are expected to culminate in the formal adoption of a global report in 2019. To this end, R200 000 is allocated in the *Labour Policy and Industrial Relations* programme in 2019/20.

Expenditure trends

Table 28.2 Vote expenditure trends by programme and economic classification

Programmes																															
1. Administration																															
2. Inspection and Enforcement Services																															
3. Public Employment Services																															
4. Labour Policy and Industrial Relations																															
Programme	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Revised estimate			Average: Outcome/Annual budget (%)		Average: Outcome/Adjusted appropriation (%)	
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19																		
Programme 1	845.1	815.1	745.6	852.9	856.6	819.1	885.6	887.8	768.7	917.4	906.6	906.6	2015/16 - 2018/19			92.5%	93.5%														
Programme 2	430.8	471.8	472.9	519.5	509.3	464.3	532.7	531.2	520.2	598.2	592.2	592.2	2015/16 - 2018/19			98.5%	97.4%														
Programme 3	488.3	497.3	485.1	510.3	507.2	524.9	561.1	557.4	485.5	582.6	580.6	580.6	2015/16 - 2018/19			96.9%	96.9%														
Programme 4	922.7	920.0	908.4	965.2	969.7	953.4	1 086.4	1 079.4	1 069.6	1 197.1	1 203.4	1 199.5	2015/16 - 2018/19			99.0%	99.0%														
Total	2 686.9	2 704.2	2 612.0	2 847.9	2 842.9	2 761.6	3 065.8	3 055.8	2 844.0	3 295.2	3 282.9	3 278.9	2015/16 - 2018/19			96.6%	96.7%														
Change to 2018 Budget estimate										(12.4)																					
Economic classification																															
Current payments	1 683.8	1 642.8	1 533.0	1 714.8	1 675.9	1 545.3	1 817.6	1 787.3	1 571.4	1 946.7	1 885.3	1 881.3	2015/16 - 2018/19			91.2%	93.4%														
Compensation of employees	1 079.6	1 052.9	1 025.6	1 132.2	1 108.0	1 064.7	1 224.5	1 212.8	1 059.5	1 317.8	1 293.1	1 289.1	2015/16 - 2018/19			93.4%	95.1%														
Goods and services	604.2	589.9	507.4	582.6	567.9	480.6	593.1	574.5	511.9	628.9	592.3	592.3	2015/16 - 2018/19			86.9%	90.0%														

Table 28.2 Vote expenditure trends by programme and economic classification

Economic classification	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	2015/16 - 2018/19
R million														
Transfers and subsidies	956.2	1 009.2	1 010.4	1 064.6	1 063.4	1 073.2	1 160.7	1 162.4	1 179.6	1 273.6	1 288.0	1 288.0	102.2%	100.6%
Provinces and municipalities	0.0	0.5	0.6	0.5	0.7	0.6	0.5	0.5	0.6	0.6	0.6	0.6	151.6%	102.8%
Departmental agencies and accounts	824.2	824.2	820.9	867.8	868.3	879.4	962.2	962.2	979.9	1 066.1	1 078.4	1 078.4	101.0%	100.7%
Foreign governments and international organisations	17.3	19.3	20.9	20.6	22.0	19.7	23.8	23.8	20.0	25.2	25.2	25.2	98.7%	95.1%
Non-profit institutions	114.4	164.5	164.0	175.5	169.6	168.8	173.9	173.9	173.4	181.3	181.2	181.2	106.6%	99.7%
Households	0.3	0.7	4.0	0.3	2.8	4.6	0.3	2.1	5.8	0.4	2.5	2.5	1 271.2%	208.0%
Payments for capital assets	46.9	52.2	68.1	68.4	103.6	140.5	87.5	106.1	92.8	75.0	109.6	109.6	148.0%	110.6%
Buildings and other fixed structures	–	2.0	0.5	28.0	28.0	29.2	14.0	14.0	2.4	16.0	16.0	16.0	83.0%	80.2%
Machinery and equipment	46.9	50.2	67.6	40.4	75.6	65.0	73.5	92.1	78.2	59.0	93.6	93.6	138.5%	97.7%
Software and other intangible assets	–	–	–	–	–	46.4	–	0.1	12.1	–	–	–	–	97 516.7%
Payments for financial assets	–	–	0.5	–	–	2.6	–	–	0.2	–	–	–	–	–
Total	2 686.9	2 704.2	2 612.0	2 847.9	2 842.9	2 761.6	3 065.8	3 055.8	2 844.0	3 295.2	3 282.9	3 278.9	96.6%	96.7%

Expenditure estimates

Table 28.3 Vote expenditure estimates by programme and economic classification

Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R million								
Programme 1	906.6	3.6%	28.2%	962.0	1 022.5	1 084.2	6.1%	27.8%
Programme 2	592.2	7.9%	17.8%	631.1	679.7	723.5	6.9%	18.4%
Programme 3	580.6	5.3%	18.1%	611.2	648.9	691.7	6.0%	17.7%
Programme 4	1 199.5	9.2%	35.9%	1 230.8	1 319.5	1 394.0	5.1%	36.0%
Total	3 278.9	6.6%	100.0%	3 435.1	3 670.6	3 893.4	5.9%	100.0%
Change to 2018 Budget estimate				2.2	21.8	24.4		
Economic classification								
Current payments	1 881.3	4.6%	56.8%	2 065.8	2 208.4	2 350.1	7.7%	59.6%
Compensation of employees	1 289.1	7.0%	38.6%	1 393.2	1 499.5	1 598.5	7.4%	40.5%
Goods and services	592.3	0.1%	18.2%	672.4	708.6	751.3	8.3%	19.1%
Interest and rent on land	–	–	–	0.2	0.3	0.3	–	0.0%
Transfers and subsidies	1 288.0	8.5%	39.6%	1 309.4	1 399.7	1 477.9	4.7%	38.3%
Provinces and municipalities	0.6	7.2%	0.0%	0.7	0.7	0.7	5.9%	0.0%
Departmental agencies and accounts	1 078.4	9.4%	32.7%	1 089.0	1 167.2	1 231.7	4.5%	32.0%
Foreign governments and international organisations	25.2	9.3%	0.7%	26.6	28.1	29.6	5.5%	0.8%
Non-profit institutions	181.2	3.3%	6.0%	192.6	203.2	215.3	5.9%	5.6%
Households	2.5	50.9%	0.1%	0.4	0.4	0.4	-44.7%	0.0%
Payments for capital assets	109.6	28.0%	3.6%	60.2	62.8	65.7	-15.7%	2.1%
Buildings and other fixed structures	16.0	100.0%	0.4%	16.0	16.9	18.1	4.3%	0.5%
Machinery and equipment	93.6	23.0%	2.6%	44.2	45.9	47.5	-20.2%	1.6%
Total	3 278.9	6.6%	100.0%	3 435.4	3 670.8	3 893.7	5.9%	100.0%

Expenditure trends and estimates for significant spending items

Table 28.4 Expenditure trends and estimates for significant spending items

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total vote (%)
R thousand											
Commission for Conciliation, Mediation and Arbitration	731 799	770 501	864 090	963 066	9.6%	29.0%	980 979	1 039 945	1 097 468	4.3%	28.5%
Inspection Services: Compliance Monitoring and Enforcement	373 034	367 843	414 853	471 240	8.1%	14.2%	501 849	541 089	575 959	6.9%	14.6%
Provision of Public Employment Services: Employer and Work Seeker Services	236 124	196 592	207 392	292 241	7.4%	8.1%	309 171	328 462	352 594	6.5%	9.0%
Total	1 340 957	1 334 936	1 486 335	1 726 547	8.8%	51.2%	1 791 999	1 909 496	2 026 021	5.4%	52.1%

Goods and services expenditure trends and estimates

Table 28.5 Vote goods and services expenditure trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total Vote (%)
R thousand											
Administrative fees	4 958	5 941	9 461	5 776	5.2%	1.2%	6 087	6 261	6 228	2.5%	0.9%
Advertising	17 431	9 881	14 431	17 715	0.5%	2.8%	17 737	18 586	20 108	4.3%	2.7%
Minor assets	2 869	3 340	13 406	10 269	53.0%	1.4%	7 163	6 826	7 362	-10.5%	1.2%
Audit costs: External	16 511	16 913	16 867	17 774	2.5%	3.3%	22 132	23 404	24 690	11.6%	3.2%
Bursaries: Employees	1 906	1 978	2 310	3 031	16.7%	0.4%	3 063	3 326	3 601	5.9%	0.5%
Catering: Departmental activities	4 532	4 674	5 599	5 573	7.1%	1.0%	6 231	6 778	7 187	8.8%	0.9%
Communication	31 232	24 770	28 539	21 831	-11.3%	5.1%	44 576	49 730	53 157	34.5%	6.2%
Computer services	66 868	88 129	54 583	89 680	10.3%	14.3%	123 854	130 672	137 675	15.4%	17.7%
Consultants: Business and advisory services	7 178	10 025	6 311	11 710	17.7%	1.7%	10 753	11 562	12 073	1.0%	1.7%
Legal services	3 085	7 601	12 795	4 630	14.5%	1.3%	5 335	6 092	6 426	11.5%	0.8%
Science and technological services	-	-	-	-	-	-	-	100	106	-	-
Contractors	7 091	6 979	2 751	5 361	-8.9%	1.1%	2 932	4 435	4 664	-4.5%	0.6%
Agency and support/outsourced services	3 111	2 135	1	779	-37.0%	0.3%	4 217	4 512	4 873	84.3%	0.5%
Entertainment	189	192	180	330	20.4%	-	249	276	292	-4.0%	-
Fleet services (including government motor transport)	19 795	21 888	28 141	26 465	10.2%	4.6%	28 247	29 571	34 010	8.7%	4.3%
Inventory: Fuel, oil and gas	-	-	-	-	-	-	150	150	150	-	-
Inventory: Learner and teacher support material	-	-	-	22	-	-	-	-	-	-100.0%	-
Consumable supplies	2 545	3 390	2 560	4 794	23.5%	0.6%	3 494	4 643	3 277	-11.9%	0.6%
Consumables: Stationery, printing and office supplies	19 673	16 325	12 928	20 512	1.4%	3.3%	22 598	21 962	24 552	6.2%	3.3%
Operating leases	139 488	115 668	138 720	149 386	2.3%	26.0%	157 730	165 833	174 707	5.4%	23.8%
Rental and hiring	1 103	513	626	612	-17.8%	0.1%	1 331	814	805	9.6%	0.1%
Property payments	57 055	48 428	50 869	69 428	6.8%	10.8%	82 164	86 092	92 122	9.9%	12.1%
Transport provided: Departmental activity	140	185	149	1 100	98.8%	0.1%	900	950	1 002	-3.1%	0.1%
Travel and subsistence	82 429	72 203	85 290	81 125	-0.5%	15.3%	84 032	85 895	90 232	3.6%	12.5%
Training and development	6 636	3 803	7 090	19 071	42.2%	1.7%	14 368	15 518	16 248	-5.2%	2.4%
Operating payments	6 489	8 744	8 537	10 979	19.2%	1.7%	10 917	11 404	12 034	3.1%	1.7%
Venues and facilities	5 087	6 924	9 728	14 304	41.1%	1.7%	12 126	13 250	13 705	-1.4%	2.0%
Total	507 401	480 629	511 872	592 257	5.3%	100.0%	672 386	708 642	751 286	8.3%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 28.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)	
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21			2021/22
Households												
Social benefits												
Current	3 335	4 508	5 355	2 414	-10.2%	0.3%	382	403	425	-44.0%	0.1%	
Employee social benefits	3 335	4 508	5 355	2 414	-10.2%	0.3%	382	403	425	-44.0%	0.1%	
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	806 121	860 375	963 987	1 062 308	9.6%	81.1%	1 072 161	1 149 433	1 212 962	4.5%	82.1%	
Productivity South Africa	45 531	59 057	60 064	53 261	5.4%	4.8%	54 610	57 601	60 770	4.5%	4.1%	
Commission for Conciliation, Mediation and Arbitration	731 799	770 501	864 090	963 066	9.6%	73.2%	976 810	1 035 547	1 092 828	4.3%	74.3%	
National Economic Development and Labour Council	28 791	30 817	39 833	45 981	16.9%	3.2%	40 741	56 285	59 364	8.9%	3.7%	
Households												
Other transfers to households												
Current	612	90	389	104	-44.6%	-	-	-	-	-100.0%	-	
Employee social benefits	612	90	389	104	-44.6%	-	-	-	-	-100.0%	-	
Provinces and municipalities												
Municipal bank accounts												
Current	516	575	611	618	6.2%	0.1%	656	695	733	5.9%	-	
Vehicle licences	516	575	611	618	6.2%	0.1%	656	695	733	5.9%	-	
Foreign governments and international organisations												
Current	20 909	19 719	19 974	25 218	6.4%	1.9%	26 630	28 095	29 641	5.5%	2.0%	
International Labour Organisation	19 753	19 719	19 178	23 984	6.7%	1.8%	25 327	26 720	28 190	5.5%	1.9%	
African Regional Labour Administration Centre	1 156	-	796	1 234	2.2%	0.1%	1 303	1 375	1 451	5.5%	0.1%	
Departmental agencies and accounts												
Social security funds												
Current	14 780	19 031	15 917	16 107	2.9%	1.4%	16 877	17 805	18 784	5.3%	1.3%	
Compensation Fund	14 780	19 031	15 917	16 107	2.9%	1.4%	16 877	17 805	18 784	5.3%	1.3%	
Non-profit institutions												
Current	164 045	168 787	173 351	181 212	3.4%	15.1%	192 648	203 244	215 344	5.9%	14.5%	
Deaf Federation of South Africa	-	-	-	291	-	-	-	-	-	-100.0%	-	
National Council for the Physically Disabled	308	296	292	336	2.9%	-	-	-	-	-100.0%	-	
South African National Council for the Blind	417	366	357	413	-0.3%	-	-	-	-	-100.0%	-	
Workshops for the Blind	10 341	10 638	11 572	12 420	6.3%	1.0%	21 525	22 709	24 412	25.3%	1.5%	
Work-centres for the disabled	135 050	138 568	141 307	146 779	2.8%	12.3%	148 923	157 114	165 755	4.1%	11.3%	
Various civil and labour organisations	17 929	18 879	19 823	20 973	5.4%	1.7%	22 147	23 365	25 117	6.2%	1.7%	
Gifts and donations	-	40	-	-	-	-	53	56	60	-	-	
Total	1 010 318	1 073 085	1 179 584	1 287 981	8.4%	100.0%	1 309 354	1 399 675	1 477 889	4.7%	100.0%	

Personnel information

Table 28.7 Vote personnel numbers and cost by salary level and programme¹

Programmes															
1. Administration															
2. Inspection and Enforcement Services															
3. Public Employment Services															
4. Labour Policy and Industrial Relations															
Number of posts estimated for 31 March 2019		Number and cost ² of personnel posts filled/planned for on funded establishment										Number			
Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)	
		2017/18	Unit cost	2018/19	Unit cost	2019/20	Unit cost	2020/21	Unit cost	2021/22	Unit cost	2018/19 - 2021/22			
Labour		Number	Cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost
Salary level	2 918	18	3 025 1 059.5	0.4	3 346 1 288.9	0.4	3 341 1 393.1	0.4	3 341 1 498.8	0.4	3 337 1 598.3	0.5	-0.1%	100.0%	
1 – 6	1 350	3	1 441 296.3	0.2	1 590 364.4	0.2	1 573 389.0	0.2	1 566 417.1	0.3	1 575 450.6	0.3	-0.3%	47.2%	
7 – 10	1 221	3	1 247 456.3	0.4	1 323 535.4	0.4	1 331 583.9	0.4	1 337 631.0	0.5	1 335 675.5	0.5	0.3%	39.9%	
11 – 12	266	6	260 208.4	0.8	306 254.1	0.8	309 275.0	0.9	310 295.2	1.0	299 305.9	1.0	-0.8%	9.2%	
13 – 16	79	6	77 98.4	1.3	127 135.0	1.1	128 145.1	1.1	128 155.5	1.2	128 166.3	1.3	0.3%	3.8%	
Other	2	-	-	-	-	-	-	-	-	-	-	-	-	-	
Programme	2 918	18	3 025 1 059.5	0.4	3 346 1 288.9	0.4	3 341 1 393.1	0.4	3 341 1 498.8	0.4	3 337 1 598.3	0.5	-0.1%	100.0%	
Programme 1	962	18	962 343.1	0.4	1 544 397.1	0.3	1 522 422.6	0.3	1 531 457.2	0.3	1 534 487.7	0.3	-0.2%	45.9%	
Programme 2	1 095	-	1 214 406.1	0.3	1 224 485.5	0.4	1 221 522.6	0.4	1 227 565.4	0.5	1 224 603.0	0.5	-	36.6%	
Programme 3	676	-	676 220.4	0.3	423 306.8	0.7	417 327.7	0.8	412 349.9	0.8	410 372.9	0.9	-1.0%	12.4%	
Programme 4	185	-	173 89.9	0.5	155 99.5	0.6	181 120.3	0.7	171 126.3	0.7	169 134.6	0.8	2.9%	5.1%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Departmental receipts

Table 28.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
Departmental receipts	10 056	11 702	16 805	10 521	10 521	1.5%	100.0%	12 414	13 300	14 212	10.5%	100.0%
Sales of goods and services produced by department	4 129	4 530	4 391	4 446	4 446	2.5%	35.6%	4 142	4 357	4 508	0.5%	34.6%
Sales by market establishments	176	164	153	132	132	-9.1%	1.3%	140	155	165	7.7%	1.2%
of which:												
Market establishment: Rental dwellings	43	43	40	52	52	6.5%	0.4%	40	45	50	-1.3%	0.4%
Market establishment: Rental parking (covered and open)	133	121	113	80	80	-15.6%	0.9%	100	110	115	12.9%	0.8%
Administrative fees	1 970	2 318	2 057	2 167	2 167	3.2%	17.3%	2 000	2 100	2 150	-0.3%	16.7%
of which:												
Occupational health and safety licences	1 970	2 318	2 057	2 166	2 166	3.2%	17.3%	2 000	2 100	2 150	-0.2%	16.7%
Request Information: Access to Information Act	-	-	-	1	1	-	-	-	-	-	-100.0%	-
Other sales	1 983	2 048	2 181	2 147	2 147	2.7%	17.0%	2 002	2 102	2 193	0.7%	16.7%
of which:												
Services rendered: Commission on insurance and garnishee	1 980	2 043	2 179	2 128	2 128	2.4%	17.0%	2 000	2 100	2 190	1.0%	16.7%
Services rendered: Photocopies and faxes	1	-	-	15	15	146.6%	-	-	-	-	-100.0%	-
Replacement of security cards	2	-	-	3	3	14.5%	-	-	-	-	-100.0%	-
Replacement - lost office property	-	5	2	1	1	-	-	2	2	3	44.2%	-
Sales of scrap, waste, arms and other used current goods	12	25	45	39	39	48.1%	0.2%	22	23	24	-14.9%	0.2%
of which:												
Sales: Scrap	3	-	3	9	9	44.2%	-	1	1	1	-51.9%	-
Sales: Wastepaper	9	25	42	30	30	49.4%	0.2%	21	22	23	-8.5%	0.2%
Fines, penalties and forfeits	1 009	1 011	2 281	2 070	2 070	27.1%	13.0%	3 200	3 400	3 700	21.4%	24.5%
Interest, dividends and rent on land	1 303	1 377	1 357	1 000	1 000	-8.4%	10.3%	1 500	1 550	1 600	17.0%	11.2%
Interest	1 303	1 377	1 357	1 000	1 000	-8.4%	10.3%	1 500	1 550	1 600	17.0%	11.2%
Sales of capital assets	105	29	43	300	300	41.9%	1.0%	50	70	80	-35.6%	1.0%
Transactions in financial assets and liabilities	3 498	4 730	8 688	2 666	2 666	-8.7%	39.9%	3 500	3 900	4 300	17.3%	28.5%
Total	10 056	11 702	16 805	10 521	10 521	1.5%	100.0%	12 414	13 300	14 212	10.5%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department.

Expenditure trends and estimates

Table 28.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Ministry	32 649	32 188	32 252	37 432	4.7%	4.2%	36 572	36 950	39 260	1.6%	3.8%
Management	258 488	255 374	256 414	253 059	-0.7%	31.6%	265 369	279 243	297 165	5.5%	27.5%
Corporate Services	180 258	260 182	200 947	291 785	17.4%	28.8%	311 248	333 721	353 587	6.6%	32.5%
Office of the Chief Financial Officer	113 160	105 632	118 086	121 708	2.5%	14.2%	130 812	142 594	151 239	7.5%	13.7%
Office Accommodation	161 082	165 694	160 977	202 647	8.0%	21.3%	217 958	229 946	242 931	6.2%	22.5%
Total	745 637	819 070	768 676	906 631	6.7%	100.0%	961 959	1 022 454	1 084 182	6.1%	100.0%
Change to 2018 Budget estimate				(10 754)			(14 991)	(15 742)	(16 137)		

Table 28.9 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R thousand											
Current payments	707 328	708 637	721 537	834 401	5.7%	91.7%	919 203	977 610	1 037 388	7.5%	94.8%
Compensation of employees	325 922	325 904	343 137	397 117	6.8%	43.0%	422 590	457 337	487 779	7.1%	44.4%
Goods and services ¹	381 406	382 733	378 400	437 284	4.7%	48.8%	496 613	520 273	549 609	7.9%	50.4%
<i>of which:</i>											
<i>Audit costs: External</i>	<i>16 511</i>	<i>16 913</i>	<i>16 867</i>	<i>17 774</i>	<i>2.5%</i>	<i>2.1%</i>	<i>22 132</i>	<i>23 404</i>	<i>24 690</i>	<i>11.6%</i>	<i>2.2%</i>
<i>Communication</i>	<i>16 980</i>	<i>21 498</i>	<i>13 229</i>	<i>14 755</i>	<i>-4.6%</i>	<i>2.1%</i>	<i>23 280</i>	<i>24 415</i>	<i>25 504</i>	<i>20.0%</i>	<i>2.2%</i>
<i>Computer services</i>	<i>65 885</i>	<i>87 279</i>	<i>53 844</i>	<i>88 735</i>	<i>10.4%</i>	<i>9.1%</i>	<i>122 844</i>	<i>129 601</i>	<i>136 546</i>	<i>15.5%</i>	<i>12.0%</i>
<i>Operating leases</i>	<i>137 524</i>	<i>113 458</i>	<i>135 725</i>	<i>143 645</i>	<i>1.5%</i>	<i>16.4%</i>	<i>152 379</i>	<i>160 412</i>	<i>168 769</i>	<i>5.5%</i>	<i>15.7%</i>
<i>Property payments</i>	<i>44 556</i>	<i>47 925</i>	<i>37 873</i>	<i>63 632</i>	<i>12.6%</i>	<i>6.0%</i>	<i>72 180</i>	<i>75 864</i>	<i>81 309</i>	<i>8.5%</i>	<i>7.4%</i>
<i>Travel and subsistence</i>	<i>37 061</i>	<i>32 003</i>	<i>37 863</i>	<i>31 138</i>	<i>-5.6%</i>	<i>4.3%</i>	<i>29 926</i>	<i>29 200</i>	<i>30 671</i>	<i>-0.5%</i>	<i>3.0%</i>
Transfers and subsidies¹	2 318	2 022	2 776	1 618	-11.3%	0.3%	913	966	1 019	-14.3%	0.1%
Provinces and municipalities	522	547	605	618	5.8%	0.1%	656	695	733	5.9%	0.1%
Departmental agencies and accounts	11	16	32	–	-100.0%	–	–	–	–	–	–
Foreign governments and international organisations	3	–	–	–	-100.0%	–	–	–	–	–	–
Households	1 782	1 459	2 139	1 000	-17.5%	0.2%	257	271	286	-34.1%	–
Payments for capital assets	35 531	105 843	44 140	70 612	25.7%	7.9%	41 843	43 878	45 775	-13.5%	5.1%
Buildings and other fixed structures	511	29 198	2 404	16 000	215.2%	1.5%	16 000	16 880	18 146	4.3%	1.7%
Machinery and equipment	35 020	30 279	29 592	54 612	16.0%	4.6%	25 843	26 998	27 629	-20.3%	3.4%
Software and other intangible assets	–	46 366	12 144	–	–	1.8%	–	–	–	–	–
Payments for financial assets	460	2 568	223	–	-100.0%	0.1%	–	–	–	–	–
Total	745 637	819 070	768 676	906 631	6.7%	100.0%	961 959	1 022 454	1 084 182	6.1%	100.0%
Proportion of total programme expenditure to vote expenditure	28.5%	29.7%	27.0%	27.6%	–	–	28.0%	27.9%	27.8%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	1 254	1 393	1 763	921	-9.8%	0.2%	257	271	286	-32.3%	–
Employee social benefits	1 254	1 393	1 763	921	-9.8%	0.2%	257	271	286	-32.3%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	11	16	32	–	-100.0%	–	–	–	–	–	–
Communication	11	16	–	–	-100.0%	–	–	–	–	–	–
Departmental agencies	–	–	32	–	–	–	–	–	–	–	–
Households											
Other transfers to households											
Current	528	66	376	79	-46.9%	–	–	–	–	-100.0%	–
Employee social benefits	528	66	376	79	-46.9%	–	–	–	–	-100.0%	–
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	522	547	605	618	5.8%	0.1%	656	695	733	5.9%	0.1%
Vehicle licences	522	547	605	618	5.8%	0.1%	656	695	733	5.9%	0.1%
Foreign governments and international organisations											
Current	3	–	–	–	-100.0%	–	–	–	–	–	–
Foreign government	3	–	–	–	-100.0%	–	–	–	–	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 28.10 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019		Number and cost ² of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
Administration		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	962	18	962	343.1	0.4	1 544	397.1	0.3	1 522	422.6	0.3	1 531	457.2	0.3	1 534	487.7	0.3	-0.2%	100.0%
1 – 6	517	3	518	102.2	0.2	772	114.8	0.1	760	122.0	0.2	765	132.7	0.2	773	144.5	0.2	0.0%	50.1%
7 – 10	351	3	349	133.9	0.4	566	153.4	0.3	556	162.4	0.3	559	176.0	0.3	561	189.3	0.3	-0.3%	36.6%
11 – 12	60	6	60	56.1	0.9	129	67.9	0.5	128	72.1	0.6	129	77.8	0.6	122	78.2	0.6	-1.8%	8.3%
13 – 16	32	6	35	50.8	1.5	77	61.0	0.8	78	66.0	0.8	78	70.8	0.9	78	75.7	1.0	0.4%	5.1%
Other	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 2: Inspection and Enforcement Services

Programme purpose

Realise decent work by regulating non-employment and employment conditions through inspection and enforcement to achieve compliance with all labour market policies.

Objectives

- Protect vulnerable workers through the inspection and enforcement of labour legislation by ensuring that decent work principles are adhered to by:
 - conducting 220 692 compliance inspections by March 2020
 - serving 80 per cent of non-compliant employers inspected with a notice in terms of relevant employment law within 14 calendar days of inspection.
- Strengthen the health and safety of workers through the enforcement of occupational health and safety regulations by finalising 70 per cent of all reported incidents within 90 days of receipt over the medium term.

Subprogrammes

- *Management and Support Services: Inspection and Enforcement Services* manages the delegated administrative and financial responsibilities of the office of the deputy director-general, and provides corporate support to line function subprogrammes within the programme.
- *Occupational Health and Safety* promotes health and safety in the workplace by conducting inspections on compliance with the Occupational Health and Safety Act (1993), and regulating dangerous activities and the use of plant and machinery.
- *Registration: Inspection and Enforcement Services* registers incidents relating to labour relations and occupational health and safety, as reported by members of the public, and communicates these to the relevant structures within the *Compliance, Monitoring and Enforcement Services* subprogramme for investigation.
- *Compliance, Monitoring and Enforcement Services* ensures that employers and employees comply with labour legislation by conducting regular inspections and following up on reported incidents.
- *Training of Staff: Inspection and Enforcement Services* defrays all expenditure relating to staff training within this programme.
- *Statutory and Advocacy Services* gives effect to legislative enforcement requirements and educates stakeholders on labour legislation.

Expenditure trends and estimates

Table 28.11 Inspection and Enforcement Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average Expenditure/Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/Total (%)
R thousand											
Management and Support Services: Inspection and Enforcement Services	4 618	6 883	6 833	5 744	7.5%	1.2%	6 653	7 299	7 753	10.5%	1.0%
Occupational Health and Safety Registration: Inspection and Enforcement Services	29 338	23 870	25 868	32 962	4.0%	5.5%	34 499	36 860	39 268	6.0%	5.5%
Compliance, Monitoring and Enforcement Services	52 587	53 648	61 115	67 320	8.6%	11.4%	72 620	77 986	83 013	7.2%	11.5%
Training of Staff: Inspection and Enforcement Services	373 034	367 843	414 853	471 240	8.1%	79.4%	501 849	541 089	575 959	6.9%	79.6%
Statutory and Advocacy Services	6 680	4 673	4 971	5 571	-5.9%	1.1%	5 606	5 914	6 238	3.8%	0.9%
Statutory and Advocacy Services	6 637	7 352	6 525	9 386	12.2%	1.5%	9 906	10 587	11 241	6.2%	1.6%
Total	472 894	464 269	520 165	592 223	7.8%	100.0%	631 133	679 735	723 472	6.9%	100.0%
Change to 2018 Budget estimate				(6 000)			(7 820)	(7 834)	(7 611)		
Economic classification											
Current payments	439 771	428 843	470 596	557 523	8.2%	92.5%	614 092	661 752	704 508	8.1%	96.6%
Compensation of employees	375 866	381 987	406 092	485 577	8.9%	80.5%	522 570	565 562	603 117	7.5%	82.9%
Goods and services ¹	63 905	46 856	64 504	71 946	4.0%	12.1%	91 522	96 190	101 391	12.1%	13.7%
of which:											
Communication	7 702	1 340	9 071	3 155	-25.7%	1.0%	17 142	21 018	22 186	91.6%	2.4%
Fleet services (including government motor transport)	7 473	7 987	8 828	8 163	3.0%	1.6%	10 320	9 943	11 599	12.4%	1.5%
Consumables: Stationery, printing and office supplies	4 376	3 026	2 635	3 738	-5.1%	0.7%	4 651	3 393	5 228	11.8%	0.6%
Property payments	7 660	286	5 884	2 018	-35.9%	0.8%	6 281	5 356	4 305	28.7%	0.7%
Travel and subsistence	25 384	22 596	25 729	27 036	2.1%	4.9%	29 336	30 613	32 201	6.0%	4.5%
Training and development	2 277	1 153	1 878	4 465	25.2%	0.5%	4 421	4 664	4 920	3.3%	0.7%
Transfers and subsidies¹	1 216	1 696	1 760	772	-14.1%	0.3%	76	80	84	-52.3%	-
Provinces and municipalities	23	28	6	-	-100.0%	-	-	-	-	-	-
Households	1 193	1 668	1 754	772	-13.5%	0.3%	76	80	84	-52.3%	-
Payments for capital assets	31 907	33 730	47 809	33 928	2.1%	7.2%	16 965	17 903	18 880	-17.7%	3.3%
Machinery and equipment	31 907	33 730	47 809	33 928	2.1%	7.2%	16 965	17 903	18 880	-17.7%	3.3%
Total	472 894	464 269	520 165	592 223	7.8%	100.0%	631 133	679 735	723 472	6.9%	100.0%
Proportion of total programme expenditure to vote expenditure	18.1%	16.8%	18.3%	18.0%	-	-	18.4%	18.5%	18.6%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	1 082	1 633	1 741	747	-11.7%	0.3%	76	80	84	-51.9%	-
Employee social benefits	1 082	1 633	1 741	747	-11.7%	0.3%	76	80	84	-51.9%	-
Households											
Other transfers to households											
Current	111	35	13	25	-33.2%	-	-	-	-	-100.0%	-
Employee social benefits	111	35	13	25	-33.2%	-	-	-	-	-100.0%	-
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	23	28	6	-	-100.0%	-	-	-	-	-	-
Vehicle licences	23	28	6	-	-100.0%	-	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 28.12 Inspection and Enforcement Services personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019		Number and cost ² of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual 2017/18			Revised estimate 2018/19			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)	
		Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20			2020/21			2021/22					
Inspection and Enforcement Services		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2018/19 - 2021/22		
Salary level	1 095	–	1 214	406.1	0.3	1 224	485.5	0.4	1 221	522.6	0.4	1 227	565.4	0.5	1 224	603.0	0.5	–	100.0%
1 – 6	599	–	688	162.7	0.2	687	205.4	0.3	680	219.9	0.3	683	238.5	0.3	685	257.8	0.4	-0.1%	55.9%
7 – 10	433	–	467	179.8	0.4	474	214.9	0.5	477	232.0	0.5	481	252.3	0.5	481	271.4	0.6	0.5%	39.1%
11 – 12	48	–	46	46.7	1.0	50	48.7	1.0	51	52.9	1.0	50	55.5	1.1	45	53.4	1.2	-3.5%	4.0%
13 – 16	15	–	13	16.9	1.3	13	16.6	1.3	13	17.8	1.4	13	19.1	1.5	13	20.4	1.6	–	1.1%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 3: Public Employment Services

Programme purpose

Provide assistance to companies and workers to adjust to changing labour market conditions. Regulate private employment agencies.

Objectives

- Provide public employment services by March 2020 by:
 - registering 700 000 work seekers on the Employment Services South Africa database
 - providing employment counselling to 210 000 work seekers
 - filling 45 000 registered employment opportunities
 - registering 90 000 work opportunities on the Employment Services South Africa database
- Contribute to increasing employment opportunities for people with disabilities by providing quarterly funding over the medium term, and monitoring disability organisations on an ongoing basis.

Subprogrammes

- *Management and Support Services: Public Employment Services* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides corporate support to line function subprogrammes.
- *Employer Services* registers work opportunities, facilitates the employment of foreign nationals where such skills do not exist in South Africa, oversees placements, responds to companies in distress, provides a social plan and regulates private employment agencies.
- *Work Seeker Services* registers work seekers, retrenched workers, work learning, training and income generating opportunities on the Employment Services of South Africa system; and facilitates access to employment and income generating opportunities for the unemployed and underemployed.
- *Designated Groups Special Services* facilitates the transfer of subsidies to national organisations to promote the employment of people with disabilities.
- *Supported Employment Enterprises* transfers funds to the Supported Employment Enterprises to promote the supported employment of persons with long-term physical, mental or sensory impairment disabilities.
- *Productivity South Africa* transfers funds to Productivity South Africa, which promotes workplace productivity, competitiveness and social plan interventions.
- *Unemployment Insurance Fund* provides for the possible future funding of the Unemployment Insurance Fund.

- *Compensation Fund* provides for costs incurred through claims from civil servants for injuries sustained on duty or occupation-related illnesses and diseases, and provides for the funding of claims from the Compensation Fund.
- *Training of Staff: Public Employment Services* defrays all expenditure relating to staff training in the programme to easily identify this expenditure for reporting purposes.

Expenditure trends and estimates

Table 28.13 Public Employment Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Management and Support Services:	35 968	89 487	42 545	50 986	12.3%	10.5%	51 962	56 535	60 087	5.6%	8.7%
Public Employment Services											
Employer Services	120 086	81 451	76 833	112 724	-2.1%	18.8%	124 735	132 900	144 449	8.6%	20.3%
Work Seeker Services	116 038	115 141	130 559	179 517	15.7%	26.1%	184 436	195 562	208 145	5.1%	30.3%
Designated Groups Special Services	11 066	11 300	12 221	13 460	6.7%	2.3%	21 525	22 709	24 412	22.0%	3.2%
Supported Employment Enterprises	140 707	148 692	145 995	153 269	2.9%	28.4%	155 733	164 413	173 598	4.2%	25.5%
Productivity South Africa	45 531	59 057	60 064	53 261	5.4%	10.5%	54 610	57 601	60 770	4.5%	8.9%
Unemployment Insurance Fund	–	–	–	1	–	–	1	1	1	–	–
Compensation Fund	14 780	19 031	15 917	16 107	2.9%	3.2%	16 877	17 805	18 784	5.3%	2.7%
Training of Staff: Public Employment Services	923	720	1 409	1 249	10.6%	0.2%	1 319	1 392	1 469	5.6%	0.2%
Total	485 099	524 879	485 543	580 574	6.2%	100.0%	611 198	648 918	691 715	6.0%	100.0%
Change to 2018 Budget estimate				(2 000)			(4 156)	(4 553)	(4 801)		
Economic classification											
Current payments	277 561	294 637	253 968	345 956	7.6%	56.5%	367 956	392 776	421 030	6.8%	60.3%
Compensation of employees	245 728	272 276	220 393	306 867	7.7%	50.3%	327 729	350 079	372 897	6.7%	53.6%
Goods and services ¹	31 833	22 361	33 575	39 089	7.1%	6.1%	40 227	42 697	48 133	7.2%	6.7%
of which:											
Communication	5 584	1 478	4 088	2 820	-20.4%	0.7%	3 086	3 108	4 215	14.3%	0.5%
Fleet services (including government motor transport)	3 002	2 751	4 023	7 394	35.0%	0.8%	5 774	6 970	8 584	5.1%	1.1%
Consumables: Stationery, printing and office supplies	1 666	1 531	1 246	3 671	30.1%	0.4%	3 661	3 839	3 910	2.1%	0.6%
Property payments	4 292	158	5 922	2 894	-12.3%	0.6%	2 746	3 858	5 439	23.4%	0.6%
Travel and subsistence	9 045	8 910	10 822	10 403	4.8%	1.9%	12 088	11 985	12 499	6.3%	1.9%
Operating payments	1 123	1 585	1 467	1 999	21.2%	0.3%	2 069	2 172	2 237	3.8%	0.3%
Transfers and subsidies¹	207 377	229 351	230 845	229 755	3.5%	43.2%	241 986	255 283	269 778	5.5%	39.4%
Provinces and municipalities	4	11	8	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts	60 311	78 088	75 981	69 369	4.8%	13.7%	71 488	75 407	79 555	4.7%	11.7%
Non-profit institutions	146 116	149 868	153 528	160 239	3.1%	29.4%	170 448	179 823	190 167	5.9%	27.7%
Households	946	1 384	1 328	147	-46.2%	0.2%	50	53	56	-27.5%	–
Payments for capital assets	161	891	730	4 863	211.4%	0.3%	1 256	859	907	-42.9%	0.3%
Machinery and equipment	161	891	730	4 863	211.4%	0.3%	1 256	859	907	-42.9%	0.3%
Total	485 099	524 879	485 543	580 574	6.2%	100.0%	611 198	648 918	691 715	6.0%	100.0%
Proportion of total programme expenditure to vote expenditure	18.6%	19.0%	17.1%	17.7%	–	–	17.8%	17.7%	17.8%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	929	1 383	1 327	147	-45.9%	0.2%	50	53	56	-27.5%	–
Employee social benefits	929	1 383	1 327	147	-45.9%	0.2%	50	53	56	-27.5%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	45 531	59 057	60 064	53 261	5.4%	10.5%	54 610	57 601	60 770	4.5%	8.9%
Productivity South Africa	45 531	59 057	60 064	53 261	5.4%	10.5%	54 610	57 601	60 770	4.5%	8.9%
Households											
Other transfers to households											
Current	17	1	1	–	-100.0%	–	–	–	–	–	–
Employee social benefits	17	1	1	–	-100.0%	–	–	–	–	–	–
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	4	11	8	–	-100.0%	–	–	–	–	–	–
Vehicle licences	4	11	8	–	-100.0%	–	–	–	–	–	–

Table 28.13 Public Employment Services expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies											
R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
Non-profit institutions											
Current	146 116	149 868	153 528	160 239	3.1%	29.4%	170 448	179 823	190 167	5.9%	27.7%
Deaf Federation of South Africa	–	–	–	291	–	–	–	–	–	-100.0%	–
National Council for the Physically Disabled	308	296	292	336	2.9%	0.1%	–	–	–	-100.0%	–
South African National Council for the Blind	417	366	357	413	-0.3%	0.1%	–	–	–	-100.0%	–
Workshops for the Blind	10 341	10 638	11 572	12 420	6.3%	2.2%	21 525	22 709	24 412	25.3%	3.2%
Work-centres for the disabled	135 050	138 568	141 307	146 779	2.8%	27.1%	148 923	157 114	165 755	4.1%	24.4%
Departmental agencies and accounts											
Social security funds											
Current	14 780	19 031	15 917	16 108	2.9%	3.2%	16 878	17 806	18 785	5.3%	2.7%
Unemployment Insurance Fund	–	–	–	1	–	–	1	1	1	–	–
Compensation Fund	14 780	19 031	15 917	16 107	2.9%	3.2%	16 877	17 805	18 784	5.3%	2.7%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 28.14 Public Employment Services personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019		Number and cost ² of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Public Employment Services																			
Salary level																			
676	–	676	220.4	0.3	423	306.8	0.7	417	327.7	0.8	412	349.9	0.8	410	372.9	0.9	-1.0%	100.0%	
1 – 6	215	–	215	27.2	0.1	122	42.1	0.3	115	42.8	0.4	108	43.4	0.4	107	45.3	0.4	-4.3%	27.2%
7 – 10	315	–	315	97.5	0.3	173	108.7	0.6	173	117.1	0.7	174	125.7	0.7	172	133.1	0.8	-0.2%	41.6%
11 – 12	128	–	128	79.7	0.6	102	113.0	1.1	103	121.8	1.2	104	131.6	1.3	105	141.9	1.4	1.0%	24.9%
13 – 16	18	–	18	16.0	0.9	26	43.0	1.7	26	45.9	1.8	26	49.2	1.9	26	52.6	2.0	–	6.3%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 4: Labour Policy and Industrial Relations

Programme purpose

Facilitate the establishment of an equitable and sound labour relations environment. Support institutions of social dialogue and promote South Africa's interests in international labour matters. Conduct research and analysis, and evaluate labour policy. Provide statistical data on the labour market.

Objectives

- Improve employment equity implementation and compliance monitoring mechanisms in the labour market by:
 - publicising the 2018/19 employment equity annual report and public register by June 2019
 - developing the 2019/20 employment equity annual report and public register by March 2020
 - concluding the parliamentary approval processes of amendments to the Employment Equity Act (1998) to set sectoral employment equity targets and expedite transformation in the labour market by March 2020.
- Extend protection to vulnerable workers by publishing the national minimum wage for all sectors by 1 January each year.

- Promote sound labour relations and centralised collective bargaining through the extension of collective agreements and 100 per cent registration of qualifying labour and employer organisations by March 2020.
- Monitor and evaluate the impact of labour legislation to promote an evidence-based labour policy framework through the production of 4 research reports and 4 labour market trend reports by March 2020.

Subprogrammes

- *Management and Support Services: Labour Policy and Industrial Relations* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides corporate support to line function subprogrammes.
- *Strengthen Civil Society* transfers funds to various civil society organisations that protect vulnerable workers by providing resources, support and expertise to improve the independence and self-reliance of workers, to contribute to a stable and well-functioning labour market.
- *Collective Bargaining* manages the implementation of the Labour Relations Act (1995) through policies and practices that promote sound labour relations by: registering labour organisations and deregistering those that are non-compliant; publishing and extending collective agreements; supporting and advancing participation in collective bargaining structures; participating in the governance structures of the Commission for Conciliation, Mediation and Arbitration; and participating in relevant National Economic Development and Labour Council activities.
- *Employment Equity* promotes equity in the labour market through the elimination of unfair discrimination and the promotion of equitable representation in the workplace.
- *Employment Standards* protects vulnerable workers in the labour market by administering the Basic Conditions of Employment Act (1997).
- *Commission for Conciliation, Mediation and Arbitration* transfers funds to the Commission for Conciliation, Mediation and Arbitration, which promotes social justice and fairness in the workplace through dispute prevention and resolution services.
- *Research, Policy and Planning* monitors and evaluates the impact of labour legislation and policies that affect the South African labour market.
- *Labour Market Information and Statistics* collects, collates, analyses and disseminates internal and external labour market statistics regarding changes in the South African labour market as a result of the implementation of labour legislation.
- *International Labour Matters* contributes to global policy formulation, and facilitates compliance with international obligations through multilateral and bilateral relations.
- *National Economic Development and Labour Council* transfer funds to the National Economic Development and Labour Council, which promotes economic growth, participation in economic decision-making and social equity.

Expenditure trends and estimates

Table 28.15 Labour Policy and Industrial Relations expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R thousand											
Management and Support Services: Labour Policy and Industrial Relations	12 578	13 854	14 848	16 107	8.6%	1.4%	17 472	18 403	19 553	6.7%	1.4%
Strengthen Civil Society	17 929	18 879	19 823	20 973	5.4%	1.9%	22 147	23 365	25 117	6.2%	1.8%
Collective Bargaining	12 582	13 151	14 211	15 482	7.2%	1.3%	17 216	18 120	19 273	7.6%	1.4%
Employment Equity	14 324	12 916	12 562	13 820	-1.2%	1.3%	15 011	15 835	16 792	6.7%	1.2%
Employment Standards	10 961	11 175	12 143	23 919	29.7%	1.4%	33 286	37 911	40 211	18.9%	2.6%
Commission for Conciliation, Mediation and Arbitration	731 799	770 501	864 090	963 066	9.6%	80.5%	976 810	1 035 547	1 092 828	4.3%	79.0%

Table 28.15 Labour Policy and Industrial Relations expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R thousand											
Research, Policy and Planning	7 110	7 858	6 416	8 979	8.1%	0.7%	10 063	10 620	11 255	7.8%	0.8%
Labour Market Information and Statistics	35 860	36 232	43 090	44 684	7.6%	3.9%	48 488	51 036	54 266	6.7%	3.9%
International Labour Matters	36 431	37 984	42 619	50 431	11.4%	4.1%	49 609	52 330	55 348	3.1%	4.0%
National Economic Development and Labour Council	28 791	30 817	39 833	45 981	16.9%	3.5%	40 741	56 285	59 364	8.9%	3.9%
Total	908 365	953 367	1 069 635	1 203 442	9.8%	100.0%	1 230 843	1 319 452	1 394 007	5.0%	100.0%
Change to 2018 Budget estimate				6 381			29 167	49 959	52 957		
Economic classification											
Current payments	108 356	113 206	125 283	147 435	10.8%	12.0%	164 342	175 977	186 870	8.2%	13.1%
Compensation of employees	78 099	84 527	89 890	103 497	9.8%	8.6%	120 318	126 495	134 717	9.2%	9.4%
Goods and services ¹	30 257	28 679	35 393	43 938	13.2%	3.3%	44 024	49 482	52 153	5.9%	3.7%
of which:											
Advertising	5 567	3 325	3 531	5 716	0.9%	0.4%	5 524	6 493	6 843	6.2%	0.5%
Consultants: Business and advisory services	3 145	3 838	2 118	3 875	7.2%	0.3%	4 697	5 269	5 552	12.7%	0.4%
Consumables: Stationery, printing and office supplies	2 790	2 807	2 946	5 001	21.5%	0.3%	5 157	5 643	5 949	6.0%	0.4%
Operating leases	1 188	1 683	2 135	2 249	23.7%	0.2%	2 356	2 521	2 657	5.7%	0.2%
Travel and subsistence	10 939	8 694	10 876	12 548	4.7%	1.0%	12 682	14 097	14 861	5.8%	1.1%
Venues and facilities	1 909	2 276	4 689	5 510	42.4%	0.3%	4 207	4 842	5 104	-2.5%	0.4%
Transfers and subsidies¹	799 507	840 084	944 251	1 055 838	9.7%	88.0%	1 066 381	1 143 348	1 207 010	4.6%	86.9%
Provinces and municipalities	1	1	1	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts	760 590	801 318	903 923	1 009 047	9.9%	84.0%	1 017 551	1 091 832	1 152 192	4.5%	83.0%
Foreign governments and international organisations	20 909	19 719	19 974	25 218	6.4%	2.1%	26 630	28 095	29 641	5.5%	2.1%
Non-profit institutions	17 929	18 919	19 823	20 973	5.4%	1.9%	22 200	23 421	25 177	6.3%	1.8%
Households	78	127	530	600	97.4%	-	-	-	-	-100.0%	-
Payments for capital assets	502	77	101	169	-30.4%	-	120	127	127	-9.1%	-
Machinery and equipment	502	77	101	169	-30.4%	-	120	127	127	-9.1%	-
Total	908 365	953 367	1 069 635	1 203 442	9.8%	100.0%	1 230 843	1 319 452	1 394 007	5.0%	100.0%
Proportion of total programme expenditure to vote expenditure	34.8%	34.5%	37.6%	36.7%	-	-	35.8%	35.9%	35.8%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	78	127	530	600	97.4%	-	-	-	-	-100.0%	-
Employee social benefits	78	127	530	600	97.4%	-	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	760 590	801 318	903 923	1 009 047	9.9%	84.0%	1 017 551	1 091 832	1 152 192	4.5%	83.0%
Commission for Conciliation, Mediation and Arbitration	731 799	770 501	864 090	963 066	9.6%	80.5%	976 810	1 035 547	1 092 828	4.3%	79.0%
National Economic Development and Labour Council	28 791	30 817	39 833	45 981	16.9%	3.5%	40 741	56 285	59 364	8.9%	3.9%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	1	1	1	-	-100.0%	-	-	-	-	-	-
Vehicle licences	1	1	1	-	-100.0%	-	-	-	-	-	-
Non-profit institutions											
Current	17 929	18 919	19 823	20 973	5.4%	1.9%	22 200	23 421	25 177	6.3%	1.8%
Various civil and labour organisations	17 929	18 879	19 823	20 973	5.4%	1.9%	22 147	23 365	25 117	6.2%	1.8%
Gifts and donations	-	40	-	-	-	-	53	56	60	-	-
Foreign governments and international organisations											
Current	20 909	19 719	19 974	25 218	6.4%	2.1%	26 630	28 095	29 641	5.5%	2.1%
International Labour Organisation	19 753	19 719	19 178	23 984	6.7%	2.0%	25 327	26 720	28 190	5.5%	2.0%
African Regional Labour Administration Centre	1 156	-	796	1 234	2.2%	0.1%	1 303	1 375	1 451	5.5%	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 28.16 Labour Policy and Industrial Relations personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019		Number and cost ² of personnel posts filled / planned for on funded establishment												Number							
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)						
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost			2021/22		Unit cost			
Labour Policy and Industrial Relations		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2018/19 - 2021/22				
		185	–	–	173	89.9	0.5	155	99.5	0.6	181	120.3	0.7	171	126.3	0.7	169	134.6	0.8	2.9%	100.0%
1 – 6	19	–	20	4.2	0.2	9	2.1	0.2	18	4.3	0.2	10	2.5	0.2	10	3.0	0.3	3.6%	7.0%		
7 – 10	122	–	116	45.2	0.4	110	58.4	0.5	125	72.4	0.6	123	77.1	0.6	121	81.7	0.7	3.2%	70.9%		
11 – 12	30	–	26	25.9	1.0	25	24.5	1.0	27	28.2	1.0	27	30.2	1.1	27	32.3	1.2	2.6%	15.7%		
13 – 16	14	–	11	14.7	1.3	11	14.4	1.3	11	15.4	1.4	11	16.5	1.5	11	17.6	1.6	–	6.5%		

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Entities

Compensation Fund

Mandate

The Compensation Fund administers the Compensation for Occupational Injuries and Diseases Act (1993). The main objective of the act is to provide compensation for disablement caused by occupational injuries, or diseases sustained or contracted by employees, or for death resulting from such injuries or diseases.

Selected performance indicators

Table 28.17 Compensation Fund performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of approved benefits paid within 5 working days ¹	Compensation for Occupational Injuries and Diseases Act (1993) services	Outcome 13: An inclusive and responsive social protection system	95% (R3.7bn/R3.9bn)	100% (R4.3bn)	100% (R3.6bn)	98%	100%	100%	100%
Percentage of active registered non-exempt employers assessed annually by 31 March 2019	Compensation for Occupational Injuries and Diseases Act (1993) services		46% (208 613/ 457 588)	95% ² (268 218/ 283 685)	45% (172 703/ 386 083)	95%	95%	95%	95%
Percentage of claims adjudicated within specified number of working days of receipt	Compensation for Occupational Injuries and Diseases Act (1993) services		76% within 60 days (77 916/ 103 055)	90% within 60 days (130 800/ 145 922)	95% within 60 days (175 624/ 184 100)	90% within 30 working days	90% within 30 working days	90% within 20 working days	90% within 20 working days
Percentage of medical claims finalised within 60 working days of receipt of invoice	Medical benefits		97% (512 976/ 529 785)	89% (612 960/ 686 385)	93% (699 441/ 751 634)	85%	85%	85%	85%
Percentage of pre-authorisations responded to within 10 working days on previously finalised cases	Medical benefits		– ³	– ³	79% (1 488/1 894)	85%	85%	85%	85%
Percentage of compliant requests for assistive devices responded to within 15 working days of receipt	Orthotic and medical rehabilitation		– ³	– ³	75% (983/1 307)	85%	85%	85%	85%

1. Indicator revised to align with the fund's strategic plan.

2. High achievement due to clearing of backlog return of earnings received from employers.

3. No historical data available.

Expenditure analysis

Over the medium term, the Compensation Fund will focus on: improving access to social insurance for workers; providing an efficient and effective safety net that strengthens social protection, particularly for vulnerable workers; rehabilitating, reintegrating and returning to work employees who have been injured or contracted work-related diseases; and enhancing its capacity to deliver services by improving performance, administration and operational efficiency, thereby restoring its reputation as an efficient and effective provider of social services to workers.

The work of the *Compensation for Occupational Injuries and Diseases Act (1993) services* programme promotes

the rehabilitation, reintegration and the return to work of employees who have suffered occupational injuries or have a disease by ensuring the timeous payment of compensation benefits. Over the medium term, the programme plans to improve the adjudication of registered claims from 90 per cent within 30 days in 2018/19 to 90 per cent within 20 days in 2020/21. The programme's expenditure on claims and pension benefits paid is expected to increase due to additional personnel dealing with backlogs, IT system enhancements and other improvements to the claims process. To ensure that the fund has adequate capacity to deal with the anticipated increase in claims and to provide timeous responses to claimants, the number of personnel is expected to increase from 1 142 in 2018/19 to 1 287 in 2021/22. This will result in a projected increase in spending on compensation of employees from R843.4 million in 2018/19 to R1.3 billion in 2021/22.

In line with an increase in cases of post-traumatic stress disorder, a policy has been developed to regulate and monitor services rendered to the fund's beneficiaries by various stakeholders and medical service providers regarding post-traumatic stress disorder. Service providers will use the policy as a guide for case management, and for developing and implementing programmes and policies that aim to promote, prevent and manage occupational hazards, in compliance with relevant prescribed legislation. To deliver compensation benefits, an estimated R12.8 billion is allocated over the medium term in the Compensation for Occupational Injuries and Diseases Act (1993) *Services and Medical Benefits* programmes.

The fund's *Orthotic and Medical Rehabilitation* programme is dedicated to the recovery of injured employees to ensure that they return to work as soon as possible. The fund collaborates closely with medical service providers and employers to ensure a seamless transition from acute care to full reintegration. R207.2 million has been allocated over the MTEF period to support this programme.

The cost of administering the fund, paying compensation benefits and medical expenses, and rehabilitating and reintegrating injured and diseased workers is funded through levies paid by registered employers and revenue earned from investments. The fund's total revenue in 2018/19 is estimated to be R14.9 billion, decreasing at an average annual rate of 1.2 per cent to a projected R14.4 billion in 2021/22 due to improved compliance by employers in paying the annual assessment fee, hence fewer penalties and fines being charged by the fund. The payment of benefits is projected to increase from R3.8 billion in 2019/20 to R4.3 billion in 2020/21.

Programmes/Objectives/Activities

Table 28.18 Compensation Fund expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Administration	821 534	1 323 833	1 576 760	2 022 981	35.0%	18.9%	3 092 142	3 235 565	3 379 144	18.7%	39.8%
Compensation for Occupational Injuries and Diseases Act (1993) Services (COIDA Services)	8 914 278	5 590 621	7 518 628	1 405 797	-46.0%	68.8%	992 720	1 042 356	1 094 474	-8.0%	15.7%
Medical Benefits	31 979	47 440	64 622	3 106 697	359.7%	12.3%	3 036 432	3 218 618	3 427 828	3.3%	43.8%
Orthotic and Medical Rehabilitation	-	-	-	2 450	-	0.0%	64 975	68 874	73 351	210.5%	0.7%
Total	9 767 791	6 961 894	9 160 010	6 537 925	-12.5%	100.0%	7 186 269	7 565 413	7 974 797	6.8%	100.0%

Statements of historical financial performance and position

Table 28.19 Compensation Fund statements of historical financial performance and position

Statement of financial performance	Audited outcome		Budget		Audited outcome		Budget estimate		Revised estimate	Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R thousand										
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2018/19	2018/19	2015/16 - 2018/19
Revenue										
Non-tax revenue	3 434 511	3 869 805	4 055 804	4 534 454	2 765 303	7 592 663	6 872 363	5 196 755		123.7%
Other non-tax revenue	3 434 511	3 869 805	4 055 804	4 534 454	2 765 303	7 592 663	6 872 363	5 196 755		123.7%
Transfers received	7 852 005	7 566 935	8 244 605	8 852 341	9 288 966	6 972 843	9 737 575	9 737 575		94.3%
Total revenue	11 286 516	11 436 740	12 300 409	13 386 795	12 054 269	14 605 357	16 609 938	14 934 330		104.0%

Table 28.19 Compensation Fund statements of historical financial performance and position

Statement of financial performance								Average: Outcome/ Budget (%)	
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R thousand	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Expenses									
Current expenses	878 354	1 857 816	845 866	1 349 096	1 515 109	6 715 530	2 042 466	2 122 733	228.1%
Compensation of employees	481 256	501 302	256 479	637 648	653 451	726 700	843 370	843 370	121.2%
Goods and services	382 129	1 338 371	547 286	697 027	816 632	5 922 931	1 086 640	1 166 907	322.1%
Depreciation	14 732	12 350	41 850	10 264	44 570	47 073	112 000	112 000	85.2%
Interest, dividends and rent on land	237	5 793	251	4 157	456	18 826	456	456	2 088.0%
Transfers and subsidies	3 927 758	7 909 975	8 855 559	5 500 249	7 791 944	2 444 480	8 992 799	4 415 192	68.6%
Total expenses	4 806 112	9 767 791	9 701 425	6 961 894	9 307 053	9 160 010	11 035 265	6 537 925	93.0%
Surplus/(Deficit)	6 480 404	1 668 949	2 598 984	6 424 901	2 747 216	5 445 347	5 574 673	8 396 405	
Statement of financial position									
Carrying value of assets	97 758	149 974	101 669	241 085	106 752	315 312	112 089	112 089	195.7%
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(30 400)</i>	<i>(1 887)</i>	<i>(14 189)</i>	<i>(101 814)</i>	<i>(1 612)</i>	<i>(88 713)</i>	<i>(1 692)</i>	<i>(1 692)</i>	<i>405.3%</i>
Investments	43 113 754	51 472 221	44 966 572	55 448 101	47 214 902	64 835 450	49 575 646	49 575 646	119.7%
Inventory	2 887	2 416	3 01	1 787	3 183	2 013	3 342	3 342	76.8%
Receivables and prepayments	3 404 523	3 531 072	3 574 750	6 187 459	3 753 487	1 929 970	3 941 162	3 941 162	106.2%
Cash and cash equivalents	3 766	87 398	3 954	588 841	4 151	181 278	4 359	4 359	5 310.4%
Total assets	46 622 688	55 243 081	48 649 976	62 467 273	51 082 475	67 264 023	53 636 598	53 636 598	119.3%
Accumulated surplus/(deficit)	17 547 455	20 381 765	18 158 790	26 815 052	19 066 729	32 260 396	20 302 119	20 302 119	132.9%
Capital and reserves	60 123	163 904	61 264	199 998	64 327	692 251	65 754	65 754	446.1%
Finance lease	-	1 042 424	-	1 101 376	-	19 230	-	-	-
Accrued interest	-	1 294	-	-	-	(94)	-	-	-
Trade and other payables	1 149 402	1 378 050	1 195 378	1 222 041	1 255 147	1 297 083	1 317 904	1 317 904	106.0%
Capitalised value of pensions	18 765 760	-	19 516 390	-	20 297 047	-	21 108 928	21 108 928	26.5%
Provisions	9 099 948	12 533 644	9 718 154	12 471 807	10 399 225	12 262 563	10 841 893	10 841 893	120.1%
Derivatives financial instruments	-	19 742 000	-	20 656 999	-	20 732 594	-	-	-
Total equity and liabilities	46 622 688	55 243 081	48 649 976	62 467 273	51 082 475	67 264 023	53 636 598	53 636 598	119.3%

Statements of estimates of financial performance and position

Table 28.20 Compensation Fund statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)	
	Revised estimate			2019/20	2020/21	2021/22			
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
Revenue									
Non-tax revenue	5 196 755	10.3%	38.6%	5 523 206	5 799 367	6 031 342	5.1%	40.1%	
Other non-tax revenue	5 196 755	10.3%	38.6%	5 523 206	5 799 367	6 031 342	5.1%	40.1%	
Transfers received	9 737 575	8.8%	61.3%	7 670 128	8 053 634	8 375 779	-4.9%	59.9%	
Total revenue	14 934 330	9.3%	100.0%	13 193 334	13 853 001	14 407 121	-1.2%	100.0%	
Expenses									
Current expenses	2 122 733	4.5%	36.0%	3 388 026	3 543 265	3 703 837	20.4%	43.2%	
Compensation of employees	843 370	18.9%	8.8%	1 118 252	1 190 937	1 268 348	14.6%	15.0%	
Goods and services	1 166 907	-4.5%	26.6%	2 151 794	2 227 858	2 304 796	25.5%	26.5%	
Depreciation	112 000	108.5%	0.6%	117 500	123 963	130 161	5.1%	1.7%	
Interest, dividends and rent on land	456	-57.1%	0.1%	480	507	532	5.3%	0.0%	
Transfers and subsidies	4 415 192	-17.7%	63.6%	3 798 243	4 022 148	4 270 960	-1.1%	56.8%	
Total expenses	6 537 925	-12.5%	100.0%	7 186 269	7 565 412	7 974 797	6.8%	100.0%	
Surplus/(Deficit)	8 396 405			6 007 064	6 287 589	6 432 324			
Statement of financial position									
Carrying value of assets	112 089	-9.2%	0.3%	118 030	124 521	131 370	5.4%	0.2%	
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(1 692)</i>	<i>-3.6%</i>	<i>-0.1%</i>	<i>(1 777)</i>	<i>(1 848)</i>	<i>(1 949)</i>	<i>4.8%</i>	<i>-0.0%</i>	
Investments	49 575 646	-1.2%	92.7%	52 203 155	55 074 329	58 103 417	5.4%	92.4%	
Inventory	3 342	11.4%	0.0%	3 519	3 713	3 917	5.4%	0.0%	
Receivables and prepayments	3 941 162	3.7%	6.6%	4 150 044	4 378 296	4 619 102	5.4%	7.3%	
Cash and cash equivalents	4 359	-63.2%	0.3%	4 590	4 842	5 109	5.4%	0.0%	
Total assets	53 636 598	-1.0%	100.0%	56 479 338	59 585 701	62 862 915	5.4%	100.0%	
Accumulated surplus/(deficit)	20 302 119	-0.1%	41.4%	21 378 131	22 553 929	23 794 395	5.4%	37.9%	
Capital and reserves	65 754	-26.2%	0.4%	69 239	73 047	77 065	5.4%	0.1%	
Trade and other payables	1 317 904	-1.5%	2.2%	1 387 753	1 464 079	1 544 604	5.4%	2.5%	
Capitalised value of pensions	21 108 928	-	9.8%	22 227 701	23 450 225	24 739 987	5.4%	39.4%	
Provisions	10 841 893	-4.7%	20.3%	11 416 513	12 044 422	12 706 865	5.4%	20.2%	
Total equity and liabilities	53 636 598	-1.0%	100.0%	56 479 338	59 585 701	62 862 915	5.4%	100.0%	

Personnel information

Table 28.21 Compensation Fund personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost ¹ of personnel posts filled/planned for on funded establishment													Number				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost			2021/22		2018/19 - 2021/22	
Compensation Fund		Number	Cost		Unit cost	Number		Cost	Unit cost		Number	Cost		Unit cost	Number	Cost	Unit cost		Number
Salary level	1 287	1 287	1 142	726.7	0.6	1 142	843.4	0.7	1 179	1 118.3	0.9	1 232	1 190.9	1.0	1 287	1 268.3	1.0	14.6%	100.0%
1 – 6	800	800	695	324.6	0.5	695	402.9	0.6	725	539.2	0.7	763	579.4	0.8	800	596.2	0.7	14.0%	61.6%
7 – 10	448	448	416	373.0	0.9	416	408.7	1.0	422	545.0	1.3	434	575.2	1.3	448	633.6	1.4	15.7%	35.6%
11 – 12	37	37	29	26.6	0.9	29	29.1	1.0	30	31.2	1.0	33	33.2	1.0	37	35.2	1.0	6.5%	2.7%
13 – 16	2	2	2	2.5	1.2	2	2.7	1.4	2	2.9	1.5	2	3.1	1.6	2	3.3	1.6	6.5%	0.2%

1. Rand million.

Unemployment Insurance Fund

Mandate

The mandate of the Unemployment Insurance Fund is to contribute to the alleviation of poverty by providing effective short-term unemployment insurance to all workers who qualify for unemployment and related benefits, as legislated in the Unemployment Insurance Act (2001).

Selected performance indicators

Table 28.22 Unemployment Insurance Fund performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of valid unemployment benefit claims with complete information approved or rejected within specified timeframe ¹	Business operations		84% (494 599/ 589 756)	89% (493 141/ 556 331)	83% (565 293/ 679 988) within 15 working days	90% within 15 working days	90% within 15 working days	90% within 10 working days	90% within 10 working days
Percentage of valid in-service benefit claims with complete information approved or rejected within specified timeframe	Business operations		88% (100 227/ 114 404) within 5 weeks	87% (96 891/ 111 186) within 5 weeks	71% (99 101/ 139 691) within 5 working days	90% within 10 working days	90% within 10 working days	90% within 5 working days	90% within 5 working days
Percentage of valid death benefit claims with complete information approved or rejected within specified timeframe per year ¹	Business operations	Outcome 13: An inclusive and responsive social protection system	82% (13 522/ 16 469)	89% (85 384/ 95 421)	75% (12 401/ 16 462) within 10 working days	90% within 20 working days	90% within 20 working days	90% within 15 working days	90% within 15 working days
Number of new registered employers per year	Business operations		51 904	58 351	66 198	65 000	70 000	75 000	80 000
Number of new registered employees per year	Business operations		294 360	292 767	296 097	250 000	250 000	260 000	270 000
Number of Unemployment Insurance Fund beneficiaries provided with learning and/or workplace experience per year	Labour activation programmes		- ²	- ²	- ²	450 000	280 000	280 000	280 000

1. Indicator revised.

2. No historical data available.

Expenditure analysis

The Unemployment Insurance Fund continues to play a crucial role in providing social security in South Africa.

Over the medium term, the fund plans to expedite the finalisation of claims and improve the benefits framework, make socially responsible investments, enhance the employability of its beneficiaries, and assist in the retention of jobs.

The fund will continue to expedite the finalisation of claims by reducing projected turnaround times in 2020/21 as follows: 90 per cent of unemployment claims are expected to be finalised within 10 working days; 90 per cent of in-service benefit claims with complete information are expected to be finalised within 5 working days; and 90 per cent of death benefit claims are expected to be finalised within 15 working days. The amended Unemployment Insurance Act (2016) introduced a number of improvements to the benefits framework. These include: an extension from 238 days to 365 days for which the contributor is eligible for benefits; an extension of the period during which dependants can claim deceased contributors' benefits from 6 months to 18 months; an extension of the period during which unemployment and maternity benefits can be claimed from 6 months to 12 months; the provision of full benefits to women who miscarry; and a reduction in the period for claiming illness benefits from 14 days to 7 days. As a result, the fund anticipates an increase in the amount paid in benefits from R35.5 billion between 2015/16 and 2017/18 to R43.7 billion over the medium term.

20 per cent of the fund's investment portfolio (R32.3 billion) has been set aside for socially responsible investment in agriculture, education, renewable energy, financial services, health, housing, agro-processing, mining and beneficiation, construction, petroleum, student accommodation, road infrastructure, and technology. This investment is managed by the Public Investment Corporation.

To enhance the employability of the fund's beneficiaries, the fund has budgeted R1 billion in 2019/20 to provide learning and/or work opportunities to 280 000 beneficiaries. The fund expects to achieve these targets by ensuring that all its labour centres and visitor sites provide skills development and training opportunities; enterprise development; and funding for small, medium and micro enterprises, with a particular focus on initiatives targeted at unemployed youth.

In an effort to retain an estimated 10 000 jobs per year, the fund has allocated R500 million over the medium term for the implementation of the turnaround solutions programme and the training layoff scheme to assist companies in distress by reskilling affected workers so that they can retain their jobs. This is expected to help reduce the number of beneficiary claims as fewer contributors are expected to be unemployed.

The *Business Operations* programme has budgeted R137 million over the medium term for the implementation of various initiatives aimed at addressing poor service delivery. One such measure aims to ensure that multiple channels are available for better access to the fund's services. Projects include improving queue management, integrating operational systems, reviewing business processes, procuring end-user devices, upgrading networks, and introducing Wi-Fi and unstructured supplementary service data, which will enable people to use their smartphones to interact with the fund at any time. In 2019/20, the programme plans to increase the number of call centre agents from 40 to 68 and provide them with training, at an estimated cost of R12 million.

The fund is financed through contributions from employees and employers, as legislated in the Unemployment Insurance Contributions Act (2002); and from returns on investments. Over the medium term, the fund expects to receive 64.4 per cent (R64.3 billion) of its total revenue from unemployment contributions. Income earned from returns on investments is expected to increase from R10.7 billion in 2018/19 to R12.7 billion in 2021/22.

Programmes/Objectives/Activities

Table 28.23 Unemployment Insurance Fund expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R thousand											
Administration	4 873 164	2 613 652	795 401	1 658 809	-30.2%	16.8%	1 826 140	1 930 778	2 041 444	7.2%	10.7%
Business operations	9 231 379	11 986 138	17 712 269	12 424 967	10.4%	81.1%	13 643 957	15 784 781	16 766 742	10.5%	83.4%
Labour activation programmes	82 009	146 637	50 012	950 386	126.3%	2.0%	1 005 799	1 046 049	1 103 582	5.1%	5.9%
Total	14 186 552	14 746 427	18 557 682	15 034 162	2.0%	100.0%	16 475 896	18 761 608	19 911 768	9.8%	100.0%

Statements of historical financial performance and position

Table 28.24 Unemployment Insurance Fund statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R thousand	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Revenue									
Non-tax revenue	9 609 104	8 171 446	9 357 610	9 458 278	10 912 583	13 747 531	11 629 912	10 675 644	101.3%
Sale of goods and services other than capital assets	6 418	2 247	2 424	3 481	1 932	2 362	2 032	1 678	76.3%
<i>of which:</i>									
<i>Sales by market establishment</i>	6 359	2 247	2 368	3 425	1 924	2 362	2 023	1 674	76.6%
<i>Other sales</i>	59	-	56	56	8	-	9	4	45.6%
Other non-tax revenue	9 602 686	8 169 199	9 355 186	9 454 797	10 910 651	13 745 169	11 627 880	10 673 966	101.3%
Transfers received	16 636 871	16 701 243	17 560 306	17 838 814	19 590 834	18 319 973	21 057 893	19 598 360	96.8%
Total revenue	26 245 975	24 872 689	26 917 916	27 297 092	30 503 417	32 067 504	32 687 805	30 274 004	98.4%
Expenses									
Current expenses	2 171 072	6 022 617	2 576 028	3 853 196	3 283 091	2 124 397	3 670 031	3 361 571	131.3%
Compensation of employees	1 025 994	941 945	1 188 655	1 065 877	1 494 966	1 160 738	1 579 867	1 519 146	88.6%
Goods and services	1 045 421	5 064 965	1 259 237	2 736 958	1 604 753	915 558	1 896 706	1 648 967	178.5%
Depreciation	99 657	15 707	128 136	50 361	183 372	48 101	193 458	193 458	50.9%
Transfers and subsidies	10 508 137	8 163 935	9 272 567	10 893 231	11 173 618	16 433 285	16 700 767	11 672 591	99.0%
Total expenses	12 679 209	14 186 552	11 848 595	14 746 427	14 456 709	18 557 682	20 370 798	15 034 162	105.3%
Surplus/(Deficit)	13 566 766	10 686 137	15 069 321	12 550 665	16 046 708	13 509 822	12 317 007	15 239 842	
Statement of financial position									
Carrying value of assets	259 326	217 428	147 186	253 611	251 155	270 295	225 021	354 032	124.1%
<i>of which:</i>									
<i>Acquisition of assets</i>	(262 952)	(151 477)	(145 196)	(211 355)	(222 510)	(115 185)	(212 450)	(713 904)	141.4%
Investments	125 716 971	120 440 994	152 173 142	136 202 913	153 305 213	155 413 186	166 772 049	167 417 549	96.9%
Receivables and prepayments	44 542	227 892	92 929	1 736 417	60 229	1 669 582	142 360	1 723 537	1 575.4%
Cash and cash equivalents	1 575 308	3 812 875	3 818 570	1 297 434	1 395 388	2 719 018	1 402 723	4 490 383	150.4%
Total assets	127 596 147	124 699 189	156 231 827	139 490 375	155 011 985	160 072 081	168 542 153	173 985 501	98.5%
Accumulated surplus/(deficit)	102 791 640	98 503 433	127 252 728	94 822 326	133 337 399	105 707 027	148 210 648	151 259 643	88.0%
Capital and reserves	20 312 887	21 621 408	24 144 721	38 303 768	14 873 249	40 928 889	12 344 389	6 235 817	149.4%
Borrowings	-	12	-	13	-	23	-	-	-
Trade and other payables	276 296	313 591	316 324	350 580	8 647	291 443	11 145	3 658	156.6%
Benefits payable	4 189 225	4 234 928	4 492 237	5 949 826	6 764 951	13 118 265	7 948 232	16 459 949	170.0%
Provisions	26 099	25 817	25 817	27 739	27 739	26 434	27 739	26 434	99.1%
Derivatives financial instruments	-	-	-	36 123	-	-	-	-	-
Total equity and liabilities	127 596 147	124 699 189	156 231 827	139 490 375	155 011 985	160 072 081	168 542 153	173 985 501	98.5%

Statements of estimates of financial performance and position

Table 28.25 Unemployment Insurance Fund statements of estimates of financial performance and position

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average Expenditure/Total (%)	
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
Revenue									
Non-tax revenue	10 675 644	9.3%	36.4%	11 035 266	12 008 234	12 735 320	6.1%	35.6%	
Sale of goods and services other than capital assets	1 678	-9.3%	0.0%	3 155	3 377	4 603	40.0%	0.0%	
<i>of which:</i>									
<i>Sales by market establishment</i>	1 674	-9.3%	0.0%	3 151	3 373	4 599	40.1%	0.0%	
<i>Other sales</i>	4	-	0.0%	4	4	4	-	0.0%	
Other non-tax revenue	10 673 966	9.3%	36.4%	11 032 111	12 004 857	12 730 717	6.0%	35.6%	
Transfers received	19 598 360	5.5%	63.6%	20 495 965	21 434 681	22 416 389	4.6%	64.4%	
Total revenue	30 274 004	6.8%	100.0%	31 531 231	33 442 915	35 151 709	5.1%	100.0%	
Expenses									
Current expenses	3 361 571	-17.7%	25.6%	3 595 074	3 808 997	4 035 739	6.3%	21.2%	
Compensation of employees	1 519 146	17.3%	7.6%	1 619 410	1 724 671	1 836 775	6.5%	9.6%	
Goods and services	1 648 967	-31.2%	17.5%	1 762 861	1 859 819	1 962 109	6.0%	10.4%	
Depreciation	193 458	130.9%	0.5%	212 803	224 507	236 855	7.0%	1.2%	
Transfers and subsidies	11 672 591	12.7%	74.4%	12 880 822	14 952 611	15 876 029	10.8%	78.8%	
Total expenses	15 034 162	2.0%	100.0%	16 475 896	18 761 608	19 911 768	9.8%	100.0%	
Surplus/(Deficit)	15 239 842			15 055 335	14 681 307	15 239 941			
Statement of financial position									
Carrying value of assets	354 032	17.6%	0.2%	416 529	469 122	232 266	-13.1%	0.2%	
<i>of which:</i>									
<i>Acquisition of assets</i>	(713 904)	67.7%	-0.2%	(1 057 938)	(277 100)	-	-100.0%	-0.3%	
Investments	167 417 549	11.6%	96.9%	178 145 700	190 892 428	206 294 653	7.2%	96.4%	
Receivables and prepayments	1 723 537	96.3%	0.9%	1 846 459	1 971 628	2 105 044	6.9%	1.0%	
Cash and cash equivalents	4 490 383	5.6%	2.1%	4 670 675	4 794 212	4 936 720	3.2%	2.5%	
Total assets	173 985 501	11.7%	100.0%	185 079 363	198 127 390	213 568 683	7.1%	100.0%	
Accumulated surplus/(deficit)	151 259 643	15.4%	75.0%	166 159 361	174 580 534	185 060 707	7.0%	87.9%	
Capital and reserves	6 235 817	-33.9%	18.5%	100 090	525 791	629 708	-53.4%	1.0%	
Trade and other payables	3 658	-77.3%	0.2%	4 043	4 271	4 233	5.0%	0.0%	
Benefits payable	16 459 949	57.2%	6.3%	18 789 435	22 990 360	27 847 601	19.2%	11.1%	
Provisions	26 434	0.8%	0.0%	26 434	26 434	26 434	-	0.0%	
Total equity and liabilities	173 985 501	11.7%	100.0%	185 079 363	198 127 390	213 568 683	7.1%	100.0%	

Personnel information

Table 28.26 Unemployment Insurance Fund personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost ¹ of personnel posts filled/planned for on funded establishment											Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate					Average growth rate (%)	Average: Salary level/Total (%)					
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
Unemployment Insurance Fund		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	3 233	3 728	3 233	1 160.7	0.4	3 233	1 519.1	0.5	3 728	1 619.4	0.4	3 728	1 724.7	0.5	3 728	1 836.8	0.5	6.5%	100.0%
1 – 6	1 887	2 202	1 887	346.1	0.2	1 887	638.5	0.3	2 202	680.7	0.3	2 202	724.9	0.3	2 202	772.0	0.4	6.5%	58.9%
7 – 10	1 167	1 309	1 167	380.1	0.3	1 167	703.8	0.6	1 309	750.3	0.6	1 309	799.0	0.6	1 309	851.0	0.7	6.5%	35.4%
11 – 12	148	180	148	70.4	0.5	148	135.8	0.9	180	144.7	0.8	180	154.1	0.9	180	164.2	0.9	6.5%	4.8%
13 – 16	31	37	31	364.1	11.7	31	41.0	1.3	37	43.7	1.2	37	46.6	1.3	37	49.6	1.3	6.5%	1.0%

1. Rand million.

Commission for Conciliation, Mediation and Arbitration

Mandate

The mandate of the Commission for Conciliation, Mediation and Arbitration is derived from the Labour Relations Act (1995). The commission's compulsory statutory functions are to conciliate workplace disputes; arbitrate certain categories of disputes that remain unresolved after conciliation; establish picketing rules; facilitate the establishment of workplace forums and statutory councils; compile and publish information and statistics about its activities; accredit and consider applications for subsidies by bargaining councils and private agencies; and provide support to the essential services committee.

Selected performance indicators

Table 28.27 Commission for Conciliation, Mediation and Arbitration performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of jurisdiction referrals per year	Social services	Outcome 4: Decent employment through inclusive growth	146 459	153 043	153 464	168 810	185 691	204 260	224 686
Percentage of pre-conciliations heard per year ¹	Social services		17% (24 661/ 146 459)	18% (27 010/ 153 043)	19% (29 172/ 153 464)	19% (32 073/ 168 810)	19% (35 281/ 185 691)	19% (38 810/ 204 261)	19% (42 690/ 224 687)
Percentage of pre-conciliations settled (of jurisdiction cases) per year ¹	Social services		11% (16 299/ 146 459)	12% (17 959/ 153 043)	13% (19 722/ 153 464)	13% (21 945/ 168 810)	13% (24 140/ 185 691)	13% (26 554/ 204 261)	13% (29 209/ 224 687)
Percentage of con-arbs heard (of jurisdiction referrals) per year ²	Social services		41% (60 383/ 146 459)	41% (63 457/ 153 043)	40% (62 143/ 153 464)	40% (67 524/ 168 810)	40% (74 277/ 185 691)	40% (81 704/ 204 261)	40% (89 875/ 224 687)
Percentage of con-arbs finalised (of jurisdiction referrals) per year	Social services		37% (53 629/ 146 459)	37% (56 344/ 153 043)	36% (54 682/ 153 464)	36% (60 772/ 168 810)	36% (66 849/ 185 691)	36% (73 534/ 204 261)	36% (80 887/ 224 687)
Number of finalised cases settled per year	Social services		96 453	100 585	101 832	112 015	123 217	135 538	149 092

1. In this process, claimants are offered early conciliation, which is an opportunity to settle workplace disputes without going to court.

2. The con-arb process is a quicker, one-stop approach to conciliation and arbitration for individual unfair labour practice and unfair dismissals.

Expenditure analysis

Over the medium term, the Commission for Conciliation, Mediation and Arbitration will continue to expand access to dispute resolution services in the labour market and provide a more effective labour relations framework to reduce tension and violence, improve service delivery, create a culture of fairness in the workplace, and improve collaboration between government, organised business and organised labour.

Due to a projected increase in personnel from 879 in 2018/19 to 939 over the medium term, the commission's main cost driver is expected to be compensation of employees. As a result, R1.7 billion (51.8 per cent) of the commission's budget has been allocated to the *Administration* programme over the medium term. This allocation also provides for the maintenance of the case management system, which has been decentralised to regional offices, departmental service points and bargaining councils to cater for the growing number of cases due to amendments to employment laws such as the Labour Relations Act (1995) and Basic Conditions of Employment Act (1997). Caseloads are also impacted by increasing retrenchments and the knock-on effect of the closure of big companies on secondary or feeder companies within an industry, as well as the anticipated increase in wage-related disputes arising from the implementation of the national minimum wage. Cabinet has approved additional funding of R107.6 million over the MTEF period to address the larger caseload resulting from these amendments and the implementation of the national minimum wage. Part of this allocation will be used to train commissioners and assessors to preside over advisory arbitration processes, and to conduct balloting and certification.

To carry out dispute resolution and mediation in the labour market, and build capacity in workplaces through the commission's outreach services, 44.4 per cent (R1.4 billion) of the commission's total budget over the medium term is allocated to the social services programme. R1.3 billion of this amount is set aside for the compensation of 164 full-time commissioners, an estimated 565 part-time commissioners and 243 interpreters. The remainder is set aside for travel and subsistence, and the hiring of venues for hearings.

Cabinet has approved a freeze on salary increases for senior management staff earning more than R1.5 million per year and a 2.8 per cent increase for senior managers earning between R1 million and R1.49 million per year, resulting in a reduction in transfers from the department of R4.2 million in 2019/20, R4.4 million in 2020/21 and R4.6 million in 2021/22. Over the medium term, the commission expects to receive 97.4 per cent (R3.1 billion) of its projected revenue through transfers from the department.

Programmes/Objectives/Activities

Table 28.28 Commission for Conciliation, Mediation and Arbitration expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		Average Expenditure/ Total (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22		
Administration	392 951	406 046	411 513	509 498	9.0%	50.3%	521 059	551 066	581 462	4.5%	51.8%		
Institutional development	51 482	35 708	24 894	26 313	-20.0%	4.2%	31 828	34 093	35 996	11.0%	3.1%		
Corporate governance	3 532	5 194	5 103	5 538	16.2%	0.6%	8 271	8 721	9 200	18.4%	0.8%		
Social services	322 200	358 166	410 929	446 877	11.5%	44.9%	442 018	470 134	496 203	3.6%	44.4%		
Total	770 165	805 113	852 440	988 226	8.7%	100.0%	1 003 176	1 064 014	1 122 861	4.3%	100.0%		

Statements of historical financial performance

Table 28.29 Commission for Conciliation, Mediation and Arbitration statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget 2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2018/19	2015/16 - 2018/19
Revenue									
Non-tax revenue	25 250	21 306	22 820	23 483	22 790	18 289	25 160	25 160	91.9%
Sale of goods and services other than capital assets	3 540	4 007	4 335	4 613	5 305	6 350	6 101	6 101	109.3%
<i>of which:</i>									
Other sales	3 540	4 007	4 335	4 613	5 305	6 350	6 101	6 101	109.3%
Other non-tax revenue	21 710	17 299	18 485	18 870	17 485	11 939	19 059	19 059	87.5%
Transfers received	731 799	733 911	770 501	773 416	864 090	867 173	963 066	963 066	100.2%
Total revenue	757 049	755 217	793 321	796 899	886 880	885 462	988 226	988 226	100.0%
Expenses									
Current expenses	794 255	770 165	842 821	805 112	892 453	845 035	980 399	980 399	96.9%
Compensation of employees	264 189	259 479	278 570	292 555	463 583	416 165	490 007	490 007	97.5%
Goods and services	511 941	491 470	546 917	496 803	428 870	428 870	490 392	490 392	96.4%
Depreciation	18 125	19 216	17 334	15 754	-	-	-	-	98.6%
Transfers and subsidies	-	-	-	-	-	7 405	7 827	7 827	194.6%
Total expenses	794 255	770 165	842 821	805 112	892 453	852 440	988 226	988 226	97.1%
Surplus/(Deficit)	(37 206)	(14 948)	(49 500)	(8 213)	(5 573)	33 022	-	-	

Statements of estimates of financial performance

Table 28.30 Commission for Conciliation, Mediation and Arbitration statements of estimates of financial performance

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Revised estimate		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	
R thousand		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	
Revenue								
Non-tax revenue	25 160	5.7%	2.6%	26 365	28 467	30 033	6.1%	2.6%
Sale of goods and services other than capital assets	6 101	15.0%	0.6%	7 016	8 068	8 512	11.7%	0.7%
<i>of which:</i>								
Other sales	6 101	15.0%	0.6%	7 016	8 068	8 512	11.7%	0.7%
Other non-tax revenue	19 059	3.3%	2.0%	19 349	20 399	21 521	4.1%	1.9%
Transfers received	963 066	9.5%	97.4%	976 810	1 035 547	1 092 828	4.3%	97.4%
Total revenue	988 226	9.4%	100.0%	1 003 175	1 064 014	1 122 861	4.3%	100.0%
Expenses								
Current expenses	980 399	8.4%	99.6%	994 910	1 055 294	1 113 662	4.3%	99.2%
Compensation of employees	490 007	23.6%	42.1%	553 738	583 869	615 982	7.9%	53.6%
Goods and services	490 392	-0.1%	56.4%	441 172	471 425	497 680	0.5%	45.6%
Transfers and subsidies	7 827	-	0.4%	8 265	8 720	9 199	5.5%	0.8%
Total expenses	988 226	8.7%	100.0%	1 003 175	1 064 014	1 122 861	4.3%	100.0%
Surplus/(Deficit)	-			-	-	-		

Personnel information

Table 28.31 Commission for Conciliation, Mediation and Arbitration personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost ¹ of personnel posts filled/planned for on funded establishment											Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		Unit	2018/19		Unit	2019/20		2020/21		2021/22				2018/19 - 2021/22			
Commission for Conciliation, Mediation and Arbitration		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	879	879	839	416.2	0.5	879	490.0	0.6	939	553.7	0.6	939	583.9	0.6	939	616.0	0.7	7.9%	100.0%
1 – 6	19	19	19	2.4	0.1	19	2.8	0.1	21	3.4	0.2	21	3.5	0.2	21	3.7	0.2	10.0%	2.2%
7 – 10	624	624	598	224.2	0.4	624	262.9	0.4	681	300.7	0.4	681	317.0	0.5	681	334.5	0.5	8.4%	72.1%
11 – 12	190	190	177	116.7	0.7	190	139.0	0.7	190	156.2	0.8	190	164.7	0.9	190	173.8	0.9	7.7%	20.6%
13 – 16	29	29	28	35.8	1.3	29	42.3	1.5	30	49.7	1.7	30	52.4	1.7	30	55.3	1.8	9.3%	3.2%
17 – 22	17	17	17	37.1	2.2	17	43.0	2.5	17	43.8	2.6	17	46.1	2.7	17	48.7	2.9	4.2%	1.8%

1. Rand million.

National Economic Development and Labour Council

Mandate

The National Economic Development and Labour Council is a statutory body governed by the National Economic Development and Labour Council Act (1994), from which it also derives its legislative mandate, which is to promote the act's goals of economic growth and social equity. The legislative and policy programme of government, as well as issues tabled by its constituent chambers, determines the council's work programme.

Selected performance indicators

Table 28.32 National Economic Development and Labour Council performance indicators by programme/ objective/ activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of months taken to finalise reports on draft legislation in the development chamber from date of tabling at the council per year	Core operations	Outcome 4: Decent employment through inclusive growth	6	6	6	6	6	6	6
Number of months taken to finalise reports on draft legislation in the trade and industry chamber from date of tabling at the council per year	Core operations		6	6	6	6	6	6	6
Number of days taken to resolve bargaining council demarcation disputes and applications referred by the Commission for Conciliation, Mediation and Arbitration per year	Core operations		21	21	21	21	21	21	21
Number of working days taken to resolve section 77 final reports from the date of resolution of all section 77 notices	Core operations		-1	5	5	5	5	5	5

1. No historical data available.

Expenditure analysis

Over the medium term, the council will continue to focus on accelerating development, and addressing unemployment, inequality and poverty by advancing social dialogue between organised business, organised labour, government and communities. This dialogue is informed by the council's protocol, and facilitates consensus on socioeconomic and other issues relating to the labour market.

Cabinet has approved additional funding of R44 million over the MTEF period for employers' pension and medical aid contributions; to compensate for shortfalls in cost of living adjustments; and to fund the presidential jobs summit in 2020/21 and other operational costs arising from an increased workload. A freeze on salary increases for senior management staff earning more than R1.5 million per year and a 2.8 per cent increase for senior managers earning between R1 million and R1.49 million per year has also been approved, resulting in reductions in transfers from the department of R81 000 in 2019/20, R86 000 in 2020/21 and R91 000 in 2021/22.

The council is expected to receive transfers from the department amounting to R156.4 million over the medium term, accounting for 98.4 per cent of its total projected revenue. An estimated 67 per cent (R103.1 million) of this amount goes to the *Administration* programme, mainly for spending on compensation of employees. Revenue is supplemented by interest earned from the call account of R2.5 million over the medium term and the repayment of legal costs.

Programmes/Objectives/Activities

Table 28.33 National Economic Development and Labour Council expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22		
Administration	22 001	23 847	25 563	24 295	3.4%	69.7%	30 853	35 177	37 115	15.2%	67.0%
Core operations	6 018	7 417	5 484	5 758	-1.5%	18.0%	6 080	17 092	18 014	46.3%	22.8%
Capacity building funds	4 520	3 307	4 768	4 319	-1.5%	12.3%	4 599	4 851	5 112	5.8%	10.2%
Total	32 539	34 571	35 815	34 372	1.8%	100.0%	41 532	57 120	60 241	20.6%	100.0%

Statements of historical financial performance

Table 28.34 National Economic Development and Labour Council statements of historical financial performance

Statement of financial performance		Budget		Audited outcome		Budget		Audited outcome		Budget estimate		Revised estimate		Average: Outcome/Budget (%)
R thousand		2015/16		2016/17		2017/18		2018/19		2018/19		2018/19		2015/16 - 2018/19
Revenue														
Non-tax revenue		415	1 161	501	581	520	808	547	547					156.2%
Other non-tax revenue		415	1 161	501	581	520	808	547	547					156.2%
Transfers received		28 916	28 808	30 449	30 817	31 972	39 833	33 825	33 825					106.5%
Total revenue		29 331	29 969	30 950	31 398	32 492	40 641	34 372	34 372					107.3%
Expenses														
Current expenses		29 331	32 539	30 869	34 571	32 492	35 815	34 372	34 372					108.1%
Compensation of employees		12 820	12 039	13 524	14 089	14 198	17 512	15 350	15 350					105.5%
Goods and services		15 571	19 483	16 375	19 334	17 309	17 318	17 988	17 988					110.2%
Depreciation		940	1 017	970	1 148	985	985	1 034	1 034					106.5%
Total expenses		29 331	32 539	30 869	34 571	32 492	35 815	34 372	34 372					108.1%
Surplus/(Deficit)		-	(2 570)	81	(3 173)	-	4 826	-	-					

Statements of estimates of financial performance

Table 28.35 National Economic Development and Labour Council statements of estimates of financial performance

Statement of financial performance		Revised estimate		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R thousand		2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Revenue										
Non-tax revenue		547	-22.2%	2.3%	791	835	877	17.0%	1.6%	
Other non-tax revenue		547	-22.2%	2.3%	791	835	877	17.0%	1.6%	
Transfers received		33 825	5.5%	97.7%	40 741	56 285	59 364	20.6%	98.4%	
Total revenue		34 372	4.7%	100.0%	41 532	57 120	60 241	20.6%	100.0%	
Expenses										
Current expenses		34 372	1.8%	100.0%	41 532	57 120	60 241	20.6%	100.0%	
Compensation of employees		15 350	8.4%	42.8%	21 452	26 372	27 796	21.9%	47.2%	
Goods and services		17 988	-2.6%	54.1%	18 988	29 670	31 309	20.3%	50.5%	
Depreciation		1 034	0.6%	3.1%	1 092	1 078	1 136	3.2%	2.4%	
Total expenses		34 372	1.8%	100.0%	41 532	57 120	60 241	20.6%	100.0%	
Surplus/(Deficit)		-			-	-	-			

Personnel information

Table 28.36 National Economic Development and Labour Council personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
National Economic Development and Labour Council		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	32	32	32	17.5	0.5	32	15.4	0.5	32	21.5	0.7	32	26.4	0.8	32	27.8	0.9	21.9%	100.0%
1-6	6	6	6	1.0	0.2	6	0.9	0.2	6	1.3	0.2	6	2.7	0.5	6	2.8	0.5	45.1%	18.8%
7-10	22	22	22	12.0	0.5	22	10.5	0.5	22	14.9	0.7	22	17.5	0.8	22	18.4	0.8	20.7%	68.8%
11-12	3	3	3	2.9	1.0	3	2.5	0.8	3	3.1	1.0	3	3.6	1.2	3	3.8	1.3	15.0%	9.4%
13-16	1	1	1	1.6	1.6	1	1.4	1.4	1	2.1	2.1	1	2.6	2.6	1	2.7	2.7	23.9%	3.1%

1. Rand million.

Productivity South Africa

Mandate

Productivity South Africa was established in terms of section 31 of the Employment Services Act (2014) as a juristic person and an entity of the Department of Labour. Its mandate is to promote employment growth and productivity, and thereby contribute to South Africa's socioeconomic development and competitiveness.

Selected performance indicators

Table 28.37 Productivity South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of productivity champions, training and development facilitators, and skills development facilitators trained across the business, labour and government spectrums ¹	Productivity organisational solutions ²	Outcome 4: Decent employment through inclusive growth	642	273	327	200	200	200	200
Number of small enterprises and cooperatives on enterprise and supplier development programmes supported through productivity and operational efficiency enhancement programmes per year ²	Productivity organisational solutions		4 837	5 527	5 523	5 500	5 500	5 500	5 500
Number of companies in special economic zones and industrial parks supported through productivity and competitiveness enhancement programmes per year ³	Workplace challenge		184	171	215	100	100	100	100
Number of future forums established at companies with turnaround solutions per year	Turnaround solutions		39	53	71	200	220	250	250
Number of jobs saved in companies facing economic distress per year	Turnaround solutions		6 976	4 760	8 504	10 000	11 000	12 500	12 500

1. Indicator revised to include other categories of productivity champions from 2017/18.
2. Indicator revised.
3. Old indicator selected for publication in the Estimates of National Expenditure.

Expenditure analysis

Over the medium term, Productivity South Africa will focus on providing support services to ensure that jobs are retained and companies create jobs. It will also focus on stimulating economic growth by raising the participation rate of the labour force.

The entity's mandate is executed through the *Turnaround Solutions* programme in conjunction with the Unemployment Insurance Fund, which prevents job losses and manages retrenchments; the *Workplace Challenge* programme with the Department of Trade and Industry, which improves processes such as management and teamwork in enterprises; and the *Productivity Organisational Solutions* programme, which enhances productivity skills and competencies.

Cabinet approved a freeze on salary increases for senior management staff earning more than R1.5 million per year and a 2.8 per cent increase for senior managers earning between R1 million and R1.49 million per year, resulting in a reduction in transfers from the department of R1.6 million in 2019/20, R1.7 million in 2020/21 and R1.8 million in 2021/22. To promote workplace productivity, competitiveness and social intervention programmes over the medium term, the entity expects to receive transfers of R173 million from the Department of Labour, R386 million from the Unemployment Insurance Fund for the turnaround solutions programme, and R64.4 million from the Department of Trade and Industry for the *Workplace Challenge* programme.

Programmes/Objectives/Activities

Table 28.38 Productivity South Africa expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22	
R thousand											
Administration	42 170	40 665	45 021	50 767	6.4%	39.7%	55 294	58 346	61 707	6.7%	27.2%
Productivity organisational solution	8 980	8 663	11 401	11 482	8.5%	9.0%	13 088	13 818	14 570	8.3%	6.3%
Value chain competitiveness	22 710	9 286	10 775	9 449	-25.3%	12.1%	11 172	11 592	12 220	9.0%	5.3%
Workplace challenge	10 105	17 852	16 475	12 859	8.4%	12.9%	20 194	21 698	22 487	20.5%	9.0%
Turnaround solutions	13 969	32 561	19 069	60 326	62.8%	26.0%	132 718	132 703	132 704	30.1%	52.2%
Transnet	1 325	–	–	–	-100.0%	0.3%	–	–	–	–	–
Total	99 259	109 027	102 741	144 883	13.4%	100.0%	232 466	238 157	243 688	18.9%	100.0%

Statements of historical financial performance

Table 28.39 Productivity South Africa statements of historical financial performance

Statement of financial performance		Budget		Audited outcome		Budget estimate		Revised estimate		Average: Outcome/Budget (%)
		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
R thousand										
Revenue										
Non-tax revenue										
Sale of goods and services other than capital assets										
<i>of which:</i>										
<i>Sales by market establishment</i>										
Other non-tax revenue										
Transfers received										
Total revenue										
Expenses										
Current expenses										
Compensation of employees										
Goods and services										
Depreciation										
Interest, dividends and rent on land										
Transfers and subsidies										
Total expenses										
Surplus/(Deficit)										

Statements of estimates of financial performance

Table 28.40 Productivity South Africa statements of estimates of financial performance

Statement of financial performance		Average growth rate (%)		Average: Expenditure/Total (%)		Medium-term estimate			Average: Expenditure/Total (%)	
		Revised estimate				2019/20	2020/21	2021/22	2018/19 - 2021/22	
		2018/19	2015/16 - 2018/19	2018/19					2018/19 - 2021/22	
R thousand										
Revenue										
Non-tax revenue										
Sale of goods and services other than capital assets										
<i>of which:</i>										
<i>Sales by market establishment</i>										
Other non-tax revenue										
Transfers received										
Total revenue										
Expenses										
Current expenses										
Compensation of employees										
Goods and services										
Depreciation										
Interest, dividends and rent on land										
Transfers and subsidies										
Total expenses										
Surplus/(Deficit)										

Personnel information

Table 28.41 Productivity South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019			Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18		2018/19		2019/20		2020/21		2021/22								
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Productivity South Africa			110	61.7	0.6	109	60.4	0.6	109	77.2	0.7	107	81.3	0.8	107	85.7	0.8	12.4%	100.0%
Salary level	109	109																	
1-6	6	6	7	0.8	0.1	6	0.8	0.1	6	1.1	0.2	4	0.9	0.2	4	1.0	0.2	5.9%	4.6%
7-10	82	82	79	38.7	0.5	82	42.9	0.5	82	53.4	0.7	82	56.4	0.7	82	59.4	0.7	11.5%	75.9%
11-12	14	14	15	11.3	0.8	14	8.6	0.6	14	13.1	0.9	14	13.9	1.0	14	14.6	1.0	19.4%	13.0%
13-16	7	7	9	10.9	1.2	7	8.1	1.2	7	9.6	1.4	7	10.1	1.4	7	10.7	1.5	9.5%	6.5%

1. Rand million.

Additional tables

Table 28.A Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R thousand										
Departmental infrastructure										
Small projects (total project cost of less than R250 million over the project life cycle)										
Rustenburg labour centre: Construction of building	Construction of new labour centre	Construction	16 000	511	–	–	–	–	–	–
Security: Wendy houses	Labour centres security: Construction of wendy houses	Handed over	33	–	–	–	–	–	–	–
Construction of new office buildings; upgrade of the Ulundi and Prospecton labour centres and the installation of water tanks	New labour centre	Construction	74 000	–	29 198	2 404	16 000	16 000	16 880	18 146
Total			90 033	511	29 198	2 404	16 000	16 000	16 880	18 146

Table 28.B Expenditure by labour centre per province

R thousand	Audited outcome			Adjusted appropriation	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Eastern Cape	100 905	120 793	124 344	139 198	130 771	138 229	145 933
Provincial office: East London	36 645	43 837	46 619	50 086	44 336	46 862	49 472
Aliwal North	2 269	2 715	2 717	2 946	2 615	2 765	2 919
Butterworth	2 623	3 138	3 140	3 314	2 941	3 109	3 282
Cradock	1 930	2 309	2 311	3 830	3 399	3 593	3 794
East London	9 071	10 852	10 859	11 280	2 502	2 644	2 792
Fort Beaufort	1 751	2 095	2 296	3 245	11 756	12 427	13 119
Graaff-Reinet	1 776	2 125	2 128	2 557	2 269	2 399	2 533
Grahamstown	2 695	3 224	3 227	3 594	2 302	2 433	2 569
King William's Town	4 346	5 199	5 203	3 935	3 493	3 692	3 898
Lusikisiki	2 573	3 078	3 080	3 346	5 632	5 954	6 285
Maclear	2 252	2 694	2 696	3 757	3 335	3 525	3 722
Mdantsane	2 121	2 538	2 539	3 289	2 919	3 085	3 257
Mount Ayliff	1 520	1 818	1 821	3 097	2 749	2 906	3 068
Port Elizabeth	16 697	20 056	20 392	24 853	1 969	2 082	2 198
Queenstown	3 428	4 100	4 103	4 419	22 179	23 444	24 751
Uitenhage	4 460	6 165	6 191	6 205	4 442	4 695	4 957
Mthatha	4 748	4 850	5 022	5 445	11 933	12 614	13 317
Free State	76 130	77 314	76 654	91 369	101 765	100 625	107 787
Provincial office: Bloemfontein	37 517	38 101	32 688	40 533	38 689	33 451	36 382
Bethlehem	3 285	3 336	3 346	4 070	5 214	5 536	5 869
Bloemfontein	6 990	7 099	7 115	7 123	5 214	5 536	5 869
Ficksburg	2 706	2 748	2 841	3 660	9 577	10 262	10 970
Harrismith	2 412	2 447	2 378	3 352	4 219	4 485	4 758
Kroonstad	3 714	3 772	3 822	3 862	3 539	3 766	4 000
Petrusburg	2 802	2 846	2 933	3 601	5 950	6 314	6 690
Phuthaditjhaba	2 993	3 040	3 365	3 472	4 384	4 659	4 943
Sasolburg	3 504	3 559	3 618	3 709	4 713	5 006	5 309
Botshabelo	2 380	2 417	2 970	4 341	5 590	5 934	6 288
Welkom	3 138	3 229	3 629	3 949	3 660	3 893	4 134
Zastron	4 689	4 720	7 949	9 697	11 016	11 783	12 575
Gauteng	192 683	215 729	217 590	240 879	214 850	226 598	232 654
Provincial office: Johannesburg	75 480	97 185	86 633	88 862	132 379	139 422	140 619
Alberton	4 318	4 367	4 834	5 391	2 930	3 098	3 270
Atteridgeville	3 373	3 411	3 776	5 391	2 930	3 098	3 270
Benoni	5 778	5 844	6 468	4 211	2 289	2 419	2 554
Boksburg	3 738	3 781	4 185	7 213	3 921	4 145	4 376
Brakpan	3 580	3 621	4 008	4 667	2 537	2 682	2 831
Bronkhorstspuit	2 449	2 477	2 742	4 470	2 430	2 568	2 712
Carletonville	3 668	3 710	4 107	4 157	1 662	1 757	1 855
Garankuwa	2 103	2 127	2 354	4 580	2 490	2 632	2 778
Germiston	15 570	15 748	17 431	17 625	1 427	1 509	1 593
Johannesburg	9 464	9 572	10 596	11 440	10 566	11 169	11 792
Kempton Park	6 131	6 201	6 864	7 816	6 423	6 789	7 168
Krugersdorp	6 031	6 100	6 752	7 654	4 161	4 398	4 643
Mamelodi	3 316	3 354	3 712	7 530	4 093	4 326	4 567
Nigel	2 922	2 956	3 272	4 139	2 250	2 379	2 511
Pretoria	8 456	8 553	9 467	3 648	1 983	2 096	2 213
Randburg	1 895	1 917	2 122	10 558	5 739	6 066	6 404
Randfontein	3 218	3 255	3 603	2 366	1 286	1 359	1 435
Roodepoort	3 706	3 748	4 149	4 017	2 184	2 308	2 437
Sandton	3 487	3 527	3 904	4 627	2 515	2 659	2 807
Sebokeng	2 264	2 290	2 535	4 354	2 367	2 502	2 641
Soshanguve	2 820	2 852	2 957	2 827	1 537	1 624	1 715
Soweto	4 492	4 543	4 629	4 621	1 914	2 023	2 136
Springs	2 771	2 803	3 102	3 608	3 048	3 222	3 402
Temba	3 168	3 205	3 547	3 559	1 881	1 988	2 099
Vanderbijlpark	4 265	4 257	4 342	4 955	2 150	2 273	2 400
Vereeniging	4 220	4 325	5 499	6 593	5 758	6 087	6 426
KwaZulu-Natal	148 689	150 435	156 491	191 737	188 991	186 954	197 609
Provincial office: Durban	65 133	65 895	61 383	79 459	112 983	106 612	112 787
Dundee	2 476	2 505	2 825	3 159	2 177	2 301	2 430
Durban	22 138	22 402	22 685	3 159	2 177	2 301	2 430
Estcourt	2 149	2 174	3 074	28 750	19 814	20 944	22 112
Kokstad	3 190	3 228	3 948	2 742	1 890	1 998	2 109
Ladysmith	3 510	3 551	4 751	4 071	2 806	2 966	3 131
Newcastle	2 980	3 015	4 313	4 479	3 087	3 263	3 445
Pietermaritzburg	14 381	14 549	14 650	3 802	2 621	2 770	2 925
Pinetown	3 889	3 935	3 935	18 351	12 648	13 369	14 115
Port Shepstone	3 688	3 731	3 801	4 963	3 421	3 616	3 817
Prospecton	4 873	4 930	5 110	4 706	3 244	3 429	3 620
Richards Bay	3 328	3 367	4 446	6 218	4 285	4 530	4 782
Richmond	2 557	2 587	3 017	4 246	2 927	3 094	3 266
Stanger	3 067	3 103	3 103	3 262	2 249	2 377	2 509
Ulundi	5 165	5 226	5 480	5 913	2 697	2 851	3 010
Verulam	2 840	2 781	4 733	6 591	4 543	4 802	5 070
Vryheid	3 325	3 456	5 237	7 866	5 422	5 731	6 051

Table 28.B Expenditure by labour centre per province

R thousand	Audited outcome			Adjusted appropriation	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Limpopo	79 897	80 055	81 363	102 303	109 663	110 581	115 895
Provincial office: Polokwane	35 258	35 243	36 441	40 545	41 714	41 788	42 792
Giyani	3 057	2 812	3 022	4 589	5 049	5 112	5 432
Groblersdal	2 245	2 436	3 055	3 775	4 153	4 205	4 468
Jane Furse	2 690	3 056	2 689	4 101	4 513	4 569	4 855
Lebowakgomo	3 634	2 689	3 632	3 610	3 972	4 021	4 273
Lephalale	2 698	3 632	2 697	4 876	5 364	5 431	5 771
Makhado	2 348	2 697	2 347	3 620	3 983	4 032	4 285
Modimolle	2 813	2 347	2 699	3 150	3 466	3 509	3 729
Mokopane	2 701	2 699	3 328	3 623	3 987	4 036	4 289
Phalaborwa	3 329	3 328	2 720	4 467	4 915	4 976	5 288
Polokwane	2 721	2 720	6 655	3 651	4 017	4 067	4 322
Seshego	6 658	6 655	2 162	8 934	9 829	9 951	10 575
Thohoyandou	2 163	2 162	2 182	2 902	3 193	3 233	3 435
Tzaneen	7 582	7 579	7 734	10 460	11 508	11 651	12 381
Mpumalanga	73 232	79 436	83 690	96 618	104 456	101 872	110 321
Provincial office: Witbank	37 368	40 548	36 441	46 544	47 083	44 608	49 728
Barberton	2 011	2 182	2 356	2 714	2 900	2 894	3 062
Bethal	2 937	3 187	3 381	2 627	2 900	2 894	3 062
Carolina	2 240	2 431	2 535	3 837	4 234	4 226	4 472
Ermelo	2 323	2 520	3 412	2 927	3 230	3 224	3 411
Kamhlushwa	2 338	2 537	2 435	3 035	3 349	3 343	3 537
Kwamhlanga	2 445	2 653	2 536	2 933	3 237	3 231	3 419
Lydenburg	3 390	3 679	2 652	3 055	3 371	3 365	3 561
Middelburg	2 073	4 589	3 678	3 194	3 525	3 519	3 723
Nelspruit	2 244	2 435	4 587	4 430	4 889	4 879	5 163
Piet Retief	3 004	3 231	3 435	3 526	6 098	6 086	6 440
Sabie	1 507	3 000	2 997	2 932	3 236	3 230	3 418
Secunda	1 258	1 320	2 999	3 493	3 855	3 848	4 072
Standerton	2 156	1 568	3 804	3 612	3 986	3 979	4 210
Witbank	5 938	3 556	6 442	7 759	8 563	8 546	9 043
North West	70 572	73 691	77 543	94 219	93 168	92 690	99 654
Provincial office: Mmabatho	40 644	42 442	39 494	48 116	45 610	44 476	48 026
Brits	3 017	3 150	3 450	3 856	4 356	4 416	4 729
Christiana	2 103	2 195	2 218	3 856	4 356	4 416	4 729
Klerksdorp	5 252	5 484	5 084	5 678	3 021	3 063	3 279
Lichtenburg	2 576	2 690	3 840	6 714	7 584	7 689	8 233
Mafikeng	4 101	4 282	4 902	4 293	3 720	3 771	4 038
Mogwase	2 203	2 300	3 610	5 243	5 922	6 004	6 429
Potchefstroom	2 234	2 332	2 416	2 816	3 181	3 225	3 454
Rustenburg	4 074	4 255	4 881	4 855	3 226	3 270	3 502
Taung	2 232	2 305	3 087	3 208	5 884	5 965	6 387
Vryburg	2 136	2 256	4 561	5 584	6 308	6 395	6 848
Northern Cape	49 973	49 247	49 736	68 424	109 020	71 151	74 350
Provincial office: Kimberley	32 106	31 640	28 684	40 782	65 835	28 023	28 196
Calvinia	1 893	1 866	1 869	2 546	4 127	4 122	4 411
De Aar	1 921	1 893	2 023	2 546	4 127	4 122	4 411
Kimberley	4 754	4 685	4 192	2 591	4 201	4 195	4 489
Kuruman	2 320	2 286	2 449	6 413	10 395	10 381	11 110
Postmasburg	1 896	1 868	1 978	3 130	5 073	5 067	5 422
Springbok	2 820	2 659	3 532	3 558	4 146	4 140	4 431
Upington	2 263	2 350	5 009	6 858	11 116	11 101	11 880
Western Cape	98 992	95 612	98 768	128 203	129 147	124 235	135 287
Provincial office: Cape Town	51 550	49 791	45 965	64 351	64 107	59 942	66 376
Beaufort West	1 775	1 715	1 925	2 299	2 341	2 314	2 480
Bellville	6 245	6 032	6 412	6 299	2 341	2 314	2 480
Cape Town	11 485	11 089	12 168	12 088	8 234	8 139	8 724
George	5 702	5 507	5 791	6 986	15 291	15 115	16 201
Knysna	2 684	2 593	2 752	7 384	7 517	7 431	7 965
Mitchells Plain	2 540	2 454	2 782	3 476	3 539	3 499	3 750
Mossel Bay	2 999	2 897	3 027	3 290	3 349	3 311	3 549
Oudtshoorn	2 596	2 507	2 832	3 884	3 954	3 909	4 189
Paarl	3 009	2 906	3 234	3 362	3 423	3 383	3 626
Somerset West	2 814	2 718	2 988	3 896	3 967	3 921	4 203
Vredenburg	3 310	3 013	3 490	3 644	3 710	3 667	3 931
Worcester	2 283	2 390	5 402	7 244	7 374	7 290	7 813
Total	891 073	942 312	966 179	1 152 950	1 181 831	1 152 935	1 219 490



2019 BUDGET

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